

'Israel wants to get rid of Arab League'

BEIRUT (R) — The head of the Arab League was quoted on Friday as saying Israel was trying to do away with the 22-member league and become "sole master" of the Middle East. League Secretary-General Esmat Meguid also told the Beirut daily Al Safir during a three-day visit to Lebanon that the organization was so short of funds that it lacked the money to pay next month's salaries. "Israel is working hard to eliminate the Arab League and replace it with a Middle East league," she will not accept that Arabs gather without her any more," Dr. Abdul Meguid said. "She is a major party in the region now and wants to strip the Arab League of its Arab identity," he added. "This is the origin of its war on the Arab League, because it wants to be the centre of a new institution with an unclear identity so that the impression will be that Israel is the Middle East. "Israel is trying to change the identity of the region and impose itself as the sole master because it always feels that it is a foreign body in the region." Asked if the Arab League had the money to pay its salaries for next month, he replied: "No, the league survives on a month-to-month basis."

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Arafat rejects 'Jenin first' proposal

PLO might accept time-tabled withdrawal from W. Bank

OCCUPIED JERUSALEM

(Agencies) — Palestinian leader Yasser Arafat on Friday rejected an Israeli proposal that as a step towards expanding Palestinian self-rule he start running the West Bank town of Jenin while Israeli troops remain there. However, a senior Palestinian negotiator said the Palestine Liberation Organisation (PLO) was ready to compromise and accept a gradual Israeli troop withdrawal from West Bank towns, signalling an end to the months-long impasse in the Israel-PLO autonomy talks.

Also Friday, the militant group Hamas threatened reprisals against Palestinian security forces if more Hamas supporters were arrested in the Gaza Strip (see page 12).

"He (Israeli Prime Minister Yitzhak Rabin) says to me 'come and take the municipality of Jenin'," Mr. Arafat told a congregation in a Gaza mosque in his first public reaction to the latest Israeli proposal.

"I say 'do you think I am a mukhtar (village headman)?' I said to him 'no'."

Mr. Rabin said after talks with Mr. Arafat on Thursday he had offered the PLO

chairman control of municipal and economic affairs in Jenin, but Israeli troops would remain in the town.

The prime minister said Mr. Arafat had shown little enthusiasm for the proposal. The PLO leader is demanding a speedy Israeli troop redeployment in the West Bank before Palestinian elections, the stalled next stage of their 1993 peace deal.

Israel has demanded that Mr. Arafat prove he can prevent attacks against Israelis, and punish those behind them, as a condition for expanding his administration beyond the Gaza Strip and West Bank enclave of Jericho.

"I was controlling this municipality (Jenin) from Tunisia, from Egypt — from wherever because we are one people," Mr. Arafat said in the mosque.

"And I said to him 'no — we have agreed to implement the declaration of principles and it was supposed to start with redeployment (and) the elections last July'," Mr. Arafat said.

He described his Thursday meeting with Mr. Rabin at the Israel-Gaza border as difficult.

"I wanted them to answer a question: Do you want to withdraw or not? But he (Rabin) did not reply."

Israel announced on Thursday an easing of its closure of the Gaza Strip and West Bank, a first payoff to Mr. Arafat for moving against militants.

"We agreed that starting next week we will allow 10,000 workers from Gaza to enter Israel and 5,000 from (the West Bank)," Mr. Rabin said.

The number represented only a quarter of the 60,000 Palestinians barred from their jobs since two suicide bombers killed 21 Israelis at a bus stop in central Israel on January 22.

Mr. Rabin, however, held out the prospect of progress towards holding Palestinian elections and moving Israeli troops out of towns in the West Bank.

Noting that the Palestinian self-rule authority had begun to act against the militants, Mr. Rabin told reporters peace talks would be "intensified," and he would meet the PLO leader again in four weeks time.

Palestinian security officials recently rounded up

several dozen known militants and set up a military court to try them.

Mr. Arafat met Thursday evening and Friday morning with diplomats from the United States, Russia and Europe and asked them to exert pressure on Israel, said Arafat aide Marwan Kanafani.

Still, the Palestinians sent out fresh signals that they were ready to compromise.

Senior negotiator Ahmad Qourien, the economics minister, said Friday that the Palestinians would settle for a gradual, rather than a simultaneous troop pullout as long as it was accompanied by a timetable and did not last longer than three months.

Mr. Arafat proposed to Mr. Rabin last week that troops pull out of one West Bank city as a test while the two sides negotiated the overall withdrawal plan, the Israeli daily Haaretz said Friday.

Israeli Foreign Minister Shimon Peres, who reportedly came up with "Jenin first," said Friday that while Mr. Arafat was not enthusiastic, "he didn't rule out what we proposed."

The Israelis apparently

chose Jenin because there are no Jewish settlements near it. Media reports in recent weeks have said that an Israeli troop withdrawal would likely start in Jenin and Bethlehem, south of Jerusalem.

Mr. Arafat and Mr. Peres will meet in Paris this weekend at a symposium on the future of the Middle East.

Egyptian Foreign Minister Amr Musa, another key player in the Middle East peace process, will also be at the symposium which lasts from Saturday until Monday at the headquarters of the United Nations Educational, Scientific and Cultural Organisation.

Mr. Arafat and Mr. Peres will only have time for a brief meeting during the opening session of the conference and at a dinner given by French Prime Minister Edouard Balladur in the Louvre later on Saturday.

The PLO leader, due to arrive in Paris Saturday, is expected to hold talks with Mr. Balladur, Foreign Minister Mr. Alain Juppe and President Francois Mitterrand.

Mr. Juppe said after meeting with Mr. Musa they both shared "the same concern about the peace process which is in a difficult, if not critical phase."

Mr. Musa told the press after his talks that Israel's



FRIDAY PRAYERS: His Majesty King Hussein several other princes, Prime Minister Sharif attends Friday prayers held at Aisha Umm Al Zeid Ben Shaker, Speaker of the Upper House Mousmineh mosque in the Abdoun area. of Parliament Ahmad Al Lawzi, the King's Attending the prayers with His Majesty were advisors, the Crown Prince's special advisor also His Royal Highness Prince Abdullah, and senior civil and military officials (APRA)

Juppe warns Egypt against raising stakes in nuclear row

PARIS (Agencies) — French Foreign Minister Alain Juppe on Friday warned Egypt not to raise the stakes in its nuclear row with Israel prior to talks here between Israeli and Egyptian counterparts Shimon Peres and Amr Musa.

As both ministers prepared along with Palestinian leader Yasser Arafat to take part in a Paris symposium on the Middle East, Mr. Juppe advised Cairo not to "raise the stakes" over the nuclear issue after Egypt made its non-nuclear engagement conditional on Israel's own.

Mr. Juppe said France attached "great importance" to the extension of the nuclear Non-Proliferation Treaty (NPT), and said he would tell Mr. Musa not to "raise the stakes so that the NPT can be renewed."

Mr. Juppe said after meeting with Mr. Musa they both shared "the same concern about the peace process which is in a difficult, if not critical phase."

Mr. Musa told the press after his talks that Israel's

refusal to join the NPT would have "serious repercussions" in the region.

"In our view Israel will have to join the NPT," Mr. Musa told the press here after talks with Mr. Juppe, adding: "If they can move forward, it will be good for the region, if they don't it will very much adversely affect the regional climate."

He said that France "understands perfectly well the various dimensions of this issue, which is about the Israeli nuclear programme."

He added, however, that "relations between Egypt and Israel continue to be relations of peace and there's no going back on this."

Mr. Peres said after his talks with Mr. Juppe that the Israeli government was trying to avoid a crisis with Egypt over the non-proliferation pact.

"We are looking for solutions to the problem because Egypt spearheads the peace process in the Middle East," Mr. Peres said he was likely to meet with Mr. Musa late Friday.

Mr. Juppe had made proposals concerning the Israeli-Palestinian peace talks which he had appreciated, Mr. Peres added but did not elaborate.

"There are quite a few problems but we are making progress," he added.

Mr. Peres said talks on Palestinian elections should be held as soon as possible.

Several Arab countries, especially Syria, have long demanded Israeli sign up to the Non-Proliferation Treaty, which comes up for renewal in April.

Israeli Premier Yitzhak Rabin recently accused Egypt of pursuing an "anti-Israeli line" over the issue.

Egyptian President Hosni Mubarak accused Israel on Thursday of launching a new campaign against Cairo as a smokescreen to block any moves to settle differences over the Jewish state's nuclear programme.

The two countries have engaged in a growing war of words over Israel's nuclear

(Continued on page 7)

Rabin to win elections against divided right

TEL AVIV (AFP) — Prime Minister Yitzhak Rabin would win general elections today against two right-wing candidates, according to an opinion poll published Friday.

Mr. Rabin garnered 41 per cent support against 33 per cent for his leading rival, Benjamin Netanyahu, leader of the right-wing opposition Likud Party. Far-right Tsomet Party chief Rafael Eytan took 14 per cent in the survey for the Yedioth Aharonot newspaper. Another 12 per cent voiced no opinion.

Recent polls had put Mr. Netanyahu ahead but did not include Eytan, a former military chief of staff. Mr. Eytan announced his intention to run in the 1996 elections if the right fails to unite behind a single candidate. The Dahaf institute questioned 508 Israelis on Wednesday and Thursday.

Israeli soldier wounded in mine blast

MARIJAYOUN (AP) — An Israeli soldier was seriously wounded Friday when he stepped on a land mine planted in an occupied border enclave in South Lebanon, security sources said. The sources said the soldier was on foot patrol near the village of Aishiyeh in the central sector of the enclave Israel calls a "security zone" when he stepped on the mine at 3:15 p.m. (1315 GMT). It could not be determined whether the mine was planted by guerrillas or the Israelis themselves, the sources said. Earlier Friday, Israeli helicopter gunships strafed the bluffs of Abu Rashed overlooking east Lebanon's Bekaa Valley with machine-gun fire, apparently believing guerrillas were on the move in the area, the sources said. They said the helicopters also fired four air-to-ground missiles on Abu Rashed. There was no immediate word on casualties.

Israeli threatens to close Palestinian ministry

GAZA CITY (AFP) — Israel has threatened to shut down the offices of the Palestinian information and culture ministry in Ramallah postulating they violate the autonomy accord, Israeli radio reported Friday. "This draw the region very dangerous," Information and Culture Minister Yasser Abed Rabbo told the radio. "It means that Israel want to scrap signed agreements and not just delay their implementation. "Responsibility for education and culture were totally devolved to the Palestinian Authority."

King guest of honour at Denmark summit

By Erik Rasmussen

Special to the Jordan Times

COPENHAGEN — His Majesty King Hussein will be the most prominent foreign visitor coming to Denmark during the U.N. World Summit for Social Development to be convened in the Copenhagen capital in March.

"This will be reflected at the summit's official state dinner at the royal palace by the seating of the Jordanian Monarch next to Her Majesty the Queen of Denmark who presides over the dinner with His Royal Highness Prince Consort Henri," confirms the royal protocol chief, Soeren Haslund.

Mr. Haslund, who cooperates with the Lord Chamberlain's Office in arranging the royal dinner party, points to the fact that of the attending 128 heads of states King Hussein has been in the reign of power for the longest period and this, as well as the Jordanian constitutional status of a

monarchy, makes the seating arrangement to the left of Queen Margrethe II obvious. Also taken into consideration is the first planned official visit of the Danish royal house to Jordan which will take place Oct. 18 to 20.

Other outstanding Middle East participants in the U.N. summit will be Algerian President Liamine Zeroul, Emir Jaber Al Ahmad Al Sabah of Kuwait and Lebanese President Elias Hrawi. Also attending the summit will be Russian President Boris Yeltsin and U.S. Vice-President Al Gore.

German Chancellor Helmut Kohl, President Francois Mitterrand of France, Chinese Premier Li Peng and his Japanese counterpart Tomichi Murayama as well as Nelson Mandela will also attend the summit in the Danish capital, which will host the largest concentration of world leaders

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Russia, Chechens extend truce deadline

SLEPTSOVSK, Russia

(Agencies) — Russian and Chechen military leaders agreed on Friday to extend until Sunday a ceasefire which had been due to expire at midnight, Chechen chief of staff Aslan Maskhadov said.

Speaking after four hours of talks in this settlement in the Ingush region bordering Chechnya, Mr. Maskhadov said the two sides had failed to agree on an exchange of their dead and prisoners at noon (0900 GMT) on Saturday.

Instead, they would simply exchange lists of prisoners in the Chechen capital Grozny on Saturday, he said.

Shamil Basayev, a renowned commander on the Chechen separatist side, told reporters: "Today was another day without fighting and without bloodshed. It is a success."

Contracting Mr. Basayev's remarks, Interfax news agency said in a report from Grozny that there had been an exchange of shell and tank fire south of the Chechen capital overnight.

Suggesting the talks had involved hard bargaining, Mr. Maskhadov told reporters: "Russia is pulling the blanket its way but we have chosen the right way. They are the aggressor. They just want to show the whole world

they are a humane country."

There was no immediate comment from General Anatoly Kulikov, the head of the Russian delegation and commander of the Russian military operation in Chechnya. The Russian negotiators flew off from the talks by helicopter.

In Grozny, Russian forces captured the elder brother of Chechen President Dzhokhar Dudayev, the ITAR-TASS news agency reported. Mr. Dudayev has already lost a son, who was killed in the fighting last month.

Mr. Maskhadov said meanwhile that political talks should replace the military talks.

"Military men did not start this war. Politicians started it and only they can end it," he said. Field commanders could not bear the whole responsibility for the nine-week war, he said.

Ingush Deputy President Boris Agapov, who was hosting the talks, backed Mr. Maskhadov's appeal. "It's up to the politicians now," he said.

Mr. Maskhadov criticised Russian President Boris Yeltsin for refusing to meet with Mr. Dudayev face to face.

"We have our own government and president elected

(Continued on page 7)

Fahd to mediate row, but Doha is sceptical

RIYADH (AFP)

King Fahd of Saudi Arabia is to resume his mediation on a border dispute between fellow Arab monarchies Bahrain and Qatar, an official spokesman here announced on Friday.

But Qatar, which has its own border dispute with Saudi Arabia, expressed scepticism over the chances of success for Saudi mediation, which has already dragged on for two decades.

"The Saudi monarch favours a resumption of mediation efforts between Bahrain and Qatar and is determined to make every effort needed to reach a settlement... preserving the rights of both parties," the Saudi spokesman said.

Saudi Arabia would contact both countries to restart its mediation.

In Doha, Qatari Crown Prince Hamad Ben Khalifa Al Thani said the dispute was "a complex affair, not as simple as the peoples of the Gulf Cooperation Council (GCC) imagine."

"We have entrusted Saudi Arabia with the case for around 20 years, since well before the creation of the GCC," which groups all three countries with Kuwait, Oman and the United Arab Emirates, he said.

"Now, we are concentrating on the means to settle this conflict within the framework of the International Court of Justice," the crown prince told the official Qatari News Agency (QNA).

Bahrain on Thursday agreed to seek Saudi mediation to resolve its land dispute with Qatar.

Amid the scepticism over a Saudi role, Mr. Nawami warned Friday that if Bahrain refused to accept a verdict from the World Court, which he said could take up to three years, Qatar would take the dispute to the U.N. Security Council.

"In case one of the two parties refuses to abide by a decision of the court, the other party has the right to take recourse to the Security Council to force it to abide."

Qatar claims the Hawar Islands, and wants demarcation of underwater archipelago boundaries. Zubarah, pearl-diving areas and fishing grounds and all matters concerning maritime boundaries.

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THE JORDAN Mobile Telephone Service (Fastlink) has been receiving increasing requests for reservation of mobile telephone lines. There is a great demand for this service because people have become aware of the efficiency of the new service which will enable subscribers to perform their duties effectively. In its serious endeavours to put the new service into operation, the company will do its best to switch on the new service in the summer of 1995, instead of the October deadline of 1995, set by the Telecommunications Corporation.

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as an operation fee payable one time, in addition to a monthly subscription of JD 21. Telephone call rates will range between 245 fils per minute during the day to 140 fils per minute at night. Rates of telephone calls made from one mobile telephone to another mobile telephone will range between 185 fils during daytime and 100 fils at night. Frequent users who will use this service frequently and continuously will get special discounts on both day and night rates.

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British team off to Iraq seeking business chances

By a Jordan Times Staff Reporter

AMMAN — A group of British businessmen headed for Baghdad on Friday, joining the stepped up flow of international traders into the Iraqi capital amid expectations that the U.N. sanctions imposed on that country are on their way to be eased if not lifted altogether.

The 20-member group, which arrived here Wednesday, is expected to spend about a week in Iraq, meeting government officials and private sector businessmen.

Stephan Crouch of the British Middle East Interests Group said the visit was mostly aimed at gathering "market intelligence" that would allow the businessmen to update themselves about the situation in Iraq.

"There are many such groups visiting Iraq," Mr. Crouch told the Jordan Times.

Some members of the group, whose visit has been cleared by the British government — one of the most ardent opponents of any easing or lifting of the sanctions against Iraq — were expected to return to Amman in four or five days while others might extend their visit to include areas beyond Baghdad.

The identities of the businessmen have not been disclosed because of what Reuters described as possible adverse publicity in Britain. But they were from a 30-member British business team which held talks in Amman on British-Jordanian trade and industrial opportunities.

The team's visit to Iraq was announced in January after the British government allowed it to go ahead with it.

Mr. Crouch said the British Middle East Interests Group, which he represents, was not directly involved in the visit to Iraq although some of the visitors are linked to the group.

Three other British businessmen are already in the Iraqi capital ahead of the group which left Friday.

"What British companies are concerned about with Iraq is that they are losing touch with what really runs the country," Mr. Crouch was quoted as saying by Reuters.

"The companies simply want to keep in touch and appraise what future requirements might be," said Mr. Crouch, in an apparent reference to expectations that the

four-year-old sanctions against Iraq could be eased or lifted soon.

Food and medicine are exempt from the sanctions, and, as such, some of the British businessmen who represent the sugar and pharmaceutical industry might sign deals during the visit.

Others in the group included representatives of water and agriculture sectors. Immediate prospects of any international company securing huge contracts from Iraq even if the sanctions were to be lifted soon are unclear.

Many market analysts believe that the Iraqi government would not have enough funds to launch any large-scale reconstruction from oil revenues. Mandatory U.N. resolutions call for the appropriation by the U.N. of nearly 40 per cent of Iraq's income from oil exports — as and when allowed — to be channelled to a war reparations fund and to pay for U.N. costs of monitoring the ceasefire that ended the war over Kuwait in 1991.

"If the sanctions were to be eased or lifted tomorrow, it is unlikely that there would be massive business in non-essential items or medium-level consumer products," said a Jordanian trader who has had extensive experience in dealing with Iraq.

"There would be a significant amount of imports of foodstuffs into Iraq as the country would seek to rebuild its strategic reserves before going to other sectors of the market," said the businessman, who preferred to remain anonymous.

Mr. Crouch conceded as much. He told Reuters that initially at least Iraq would be a "spare-parts market."

French, German and Italian companies lead the international competition for business with Iraq. Hundreds of businessmen from these countries visited Baghdad in 1994.

Many Third World countries, particularly those which sympathised with Iraq during the Gulf crisis, have also sent trade delegations to the country after the end of the war over Kuwait.

Iraqi officials have repeatedly said that the Baghdad government would give preference in post-sanctions trade to countries which helped Iraq after the war by releasing Iraqi assets and helping Iraq secure essential items through deferred payment facilities.

UNHRC criticises Israel

GENEVA (AP) — The U.N. Human Rights Commission (UNHRC) decided Friday to end 28 years of scrutiny of violations in South Africa, and reiterated its annual criticism of Israel.

The 53-nation body unanimously agreed to drop South Africa from its future agenda, and thanked two special working groups for efforts to "eliminate apartheid in South Africa and to establish a non-racial and democratic society."

"The commission has today closed an important chapter in its history," said Chief South African delegation Rianan Eksteen. "It is a chapter that neither South Africa nor the commission hopes to reopen."

The nation's first all-race elections were held last April, resulting in a majority for the African National Congress (ANC).

Condemnation of "racial discrimination in South Africa occupied a large chunk of the commission's annual six-week session ever since the

country was placed under special scrutiny in 1967.

For years it shared the slot of most criticised nation with Israel. Thanks to the developing country majority on the commission, many African and Arab nations with poor human rights records escaped attention.

That has slowly changed, with investigations into alleged abuses in countries like Iran, Iraq, Zaire and Sudan. However, the commission's agenda is still shaped as much by politics as by human rights concerns.

China, for instance, has managed to block any criticism of its abuses, and Russia is likely to escape this year with a mild rebuke for its bombings in Chechnya.

On a packed day of voting, a resolution welcoming progress in the Middle East peace process received unanimous backing.

"After almost 50 years of hostility, a peace of the brave is being crafted before our eyes," said U.S. delegate Stanley Plesent. "We have

started down the road to human dignity. That progress is reflected in this resolution," he added. The United States, Russia and Norway put forward the motion.

A U.N. special investigator, former Swiss Foreign Minister Rene Felber, earlier this month said his mandate should end because progress in the peace process was more important than ritual condemnation of Israel which was ignored by the Tel Aviv government.

However, other commission decisions were little changed from previous years.

It voted by 27-1 in favour of a proposal by Arab countries demanding Israel stop violations and withdraw from the occupied Palestinian territories, including Jerusalem. The United States voted against. There were 22 abstentions, including European nations.

A resolution demanding Israeli withdrawal from the Syrian Golan Heights was passed by 25-1 with 23 abstentions.

Arab-American blames Israelis for mistreatment, Americans for apathy

OCCUPIED JERUSALEM (AP) — Samih Jabber left Chicago last week with plans to spend time with family in his native Jerusalem. Instead, he was jailed four days and interrogated with a hood over his head and hands tied behind his back, he says.

The Israeli suspect, Mr. Jabber, and his cousin Mohammad Barakat, like him a long-time Chicago resident and naturalised U.S. citizen, of carrying cash for the Muslim fundamentalist Islamic Jihad. They were arrested upon arrival in the country Feb. 9.

The group, opposed to peace talks and dedicated to Israel's destruction, has claimed the suicide bombing that killed 20 soldiers and a civilian in central Israel on Jan. 22.

In an interview with the Associated Press Thursday at his mother's Jerusalem home, Mr. Jabber, who was released Sunday without any charges pressed, saying the money he was carrying was meant to pay for a new addition to his mother's house.

He said he was happy to be leaving Israel and blamed U.S. officials for not doing enough to ease his plight.

"It is the ambition of all Palestinians to come back and invest in their homeland after struggling (to make money) for so many years," said Mr. Jabber. "Unless... we are safe to come to this coun-

try, there is no reason for us to come back," he added.

A resident of Chicago for 26 years, Mr. Jabber owns a supermarket and is chairman of the American-Arab Chamber of Commerce there. His wife, children and two grand-children also live in the city.

He and Mr. Barakat were detained at Ben Gurion airport near Tel Aviv upon arrival Feb. 9, carrying a total of \$153,475.

Mr. Jabber said he was carrying \$19,000 in cash and a check for \$69,475 from a U.S. real estate sale he just closed. Mr. Barakat, 30, who owns an ice-cream parlor in Chicago, had \$5,000 in cash and \$80,000 in a check.

The Israelis detained them for seven hours at the airport and "just kept asking about the money we had," Mr. Jabber said.

Then they handcuffed the two men and took them to a prison in the southern coastal town of Ashkelon, where he was held for four days, and Mr. Barakat for seven. They are both now free without any charges pressed.

Mr. Jabber complained U.S. consular officials did not try to help win their release.

"I put the blame on the American embassy most of all for not protecting Arab-Americans when they travel abroad," he said. "I was in jail for four days, my cousin for seven, and nobody con-

tacted me to ask what happened or why. This is bad."

Liz Perez, a spokeswoman for the U.S. consulate in Jerusalem, said only that the consulate is aware of Mr. Jabber's case but would not comment on his allegations.

"The first two days were a nightmare," Mr. Jabber said, recalling his interrogation.

He said a hood was placed over his head, and his hands were tied behind his back, handcuffed to a small, hard chair on which he sat, as loud music waited in a cell a metre square.

"The hood stunk. It stayed on my head all the time so that I could hardly breathe... I had to let some many times just to let some air into it because I have asthma."

After two days, Mr. Jabber said he was transferred to another, slightly larger cell, where he remained until his release.

"I never had such a terrible experience," he said.

Mr. Jabber, who maintains he came with hopes of investing in Palestinian housing projects, now has lost faith in Israeli-Palestinian rapprochement.

"I am a peaceful man and I am against any terrorist acts from both sides. We were happy to see the peace process," he said. Now, "I am going back to the States as soon as I can. I don't want to stay here."

U.S. to pay Italian bank \$400m to settle Iraq claims

WASHINGTON (AP) — The U.S. government has agreed to pay \$400 million to settle claims by a major Italian bank whose Atlanta branch funneled \$5.5 billion in loans to Iraq in the years before the Gulf war, the Justice Department announced Thursday.

The money will be paid to settle the Italian bank's claim for more than \$450 million resulting from Iraq's default on U.S. government-guaranteed loans with which Iraq bought a wide variety of American farm products.

Iraq defaulted on the loans in August 1990 after it invaded Kuwait. Banca Nazionale del Lavoro (BNL), which is owned by the Italian government, and nine other banks that helped finance sales of U.S. farm commodities to Iraq filed claims for reimbursement under the Agriculture Department's export-credit guarantee programme.

Now that guarantee programme, known as the Commodity Credit Corporation, will pay BNL \$400 million.

Some Democratic lawmakers, led by Representative Henry B. Gonzalez of Texas, have alleged that Iraq used at least some of the money obtained under the CCC programme to develop its military and nuclear arsenals before it invaded Kuwait.

Payment of BNL's claim had been held up for several years by a criminal investigation of its Atlanta branch, which funneled the \$5.5 billion in illegal loans to Iraq, the Justice Department noted in a statement.

The former manager of the branch, Christopher Drogoul, pleaded guilty to wire fraud and submitting false reports to bank regulators and was sentenced in November 1993 to three years in prison. Several co-defendants also received prison terms.

Last month, a 1½-year investigation by a federal prosecutor concluded that Bush administration officials did not illegally arm Iraq through the agricultural export programme and that BNL's top officials in Rome were not responsible for the fraud in Atlanta.

That conclusion cleared the way for the settlement to reimburse BNL.

"Now that the investigation of BNL is complete, the (CCC) is honouring its guarantees," the Justice Department statement said.

NEWS IN BRIEF

Europe has no role in Mideast peace talks — Hariri

BEIRUT (R) — Lebanon said on Friday the European Union (EU) has no significant role to play in Arab-Israeli peace talks. "Europe's role in the Arab-Israeli talks is not essential nor effective... the United States is the main power behind pushing the peace talks forward," Prime Minister Rafik Hariri said. He was commenting to Lebanese journalists on last week's tour of Syria, Israel, Gaza and Lebanon by French Foreign Minister Alain Juppe at the head of an EU delegation seeking to push forward the Middle East peace process.

Cyprus capital changes name to Lefkosia

NICOSIA (R) — Nicosia, the capital of Cyprus, has changed its name to Lefkosia as part of a campaign on the island to standardise spellings of place names. The change was voted unanimously by the municipal council late on Thursday makes the spelling conform to the way the city's name is pronounced in Greek. Mayor Lellos Demetriades said, "The government wants to standardise geographical names and Nicosia... is spelled as Lefkosia. I suggested that next to Lefkosia we have in brackets Nicosia to avoid confusion." Mr. Demetriades told Reuters. The decision must be reviewed by the republic's council of ministers as a matter of routine. Mr. Demetriades said the council had held up the name change briefly to consider whether it might cause confusion with the Turkish name for the city, which is Lefkosia.

Stop smoking U.S. cigarettes — Hizbollah

BEIRUT (AFP) — The leader of the pro-Iranian Hizbollah movement in Lebanon, Sheikh Hassan Nasrallah, has called for a boycott of U.S. cigarettes and luxury items. "We call on our people to boycott U.S. products which they can do without, such as cigarettes and luxury items... because America is an economic market controlled by giant companies which control politics and the military," he said. Sheikh Nasrallah denounced the United States as the "real and principal enemy" of Islam and said the boycott should spread to other Arab and Muslim countries. He was speaking at a rally in the Bekaa Valley on Thursday night to commemorate the third anniversary of the death of his predecessor Sheikh Abbas Mussawi, who was killed in an Israeli raid. Hizbollah's spiritual guide, Sheikh Mohammad Hussein Fadlallah, issued a similar call for a boycott last month in retaliation for Washington's decision to freeze U.S. assets of Muslim fundamentalist organisations and leaders.

Dissident to be tried in Iran court

TEHRAN (AFP) — A revolutionary court will try a nationalist opposition figure and former general who was arrested four months ago after he accused Iran of human rights violations, an opposition group said Friday. Azollah Amir-Rahimi, 75, learned "he would be tried in a revolutionary court" when he was allowed to see his family at the prosecutor's office here on Thursday, the nationalist Party of the People of Iran (PPI) said. No trial date was given. The revolutionary courts were set up after the 1979 Islamic revolution to try major offences and are reputed for handing down stiff sentences.

NPT needs to be revised before extension — Iran

TEHRAN (AFP) — Iran values the nuclear Non-Proliferation Treaty (NPT), but changes need to be made before it is adopted for an indefinite period, Deputy Foreign Minister Mohammad Javad Zarif said.

Mr. Zarif, quoted by the official Iranian news agency IRNA, said the treaty, which was adopted in 1970 and has 170 signatories, had "failed to prevent the proliferation of nuclear weapons."

"Iran attaches great importance to the NPT, but certain revisions are necessary," he said. All countries with nuclear arms should set "an exact date when they plan to destroy their weapons prior to the treaty's extension."

Washington is urging signatories to renew the treaty indefinitely at a meeting due to be held in New York in April instead of adopting it for another limited period.

Mr. Zarif, who is in charge of the ministry's legal and international affairs, argued that the "number of countries with access to nuclear weapons has increased after the signing of the treaty, with Israel being a notable example."

Furthermore, "the big powers have refused to transfer their nuclear technologies to smaller countries for peaceful purposes, despite the commitments made in the NPT," he said.

Meanwhile, Mr. Zarif, member of the United States for pressuring Russia to stop its nuclear cooperation with Iran.

"This is an interference in the internal affairs of other countries and a violation of NPT regulations," he said.

Russia is helping Iran to complete a half-finished nuclear energy plant at the southern port of Bushehr, on the Gulf, on which German engineers had been working before the 1979 Islamic revolution.

Moscow has said that it would help Iran develop its nuclear energy industry despite U.S. warnings that Tehran might turn nuclear material for military purposes.

But U.S. Secretary of State Warren Christopher said Monday that the United States would continue to pressure Russia not to hand over nuclear technology to the Islamic republic.

"We have abided by all the commitments to the NPT as the international Atomic Energy Agency has determined after inspecting our facilities," Mr. Zarif said.

Officials have said previously that Iran may not sign an indefinite extension of the treaty if Israel refuses to join.

European parliament rules out early accord on Turkey

STRASBOURG (R) — The European Parliament on Thursday threw further doubt on European Union (EU) plans for a lucrative customs deal with Turkey, saying Ankara's human rights record was too poor for the deal to be allowed to go through.

European parliamentarians adopted a resolution describing Turkey's rights record as "too grave to allow for the formation of the proposed custom union at present."

They said they would not approve a deal granting Turkey access to EU markets unless they heard reports of progress in the human rights area.

Under the Maastricht treaty, the parliament, the EU's only directly elected body, has the power to block deals

such as the customs union. European Union foreign ministers have been working hard to agree a deal that would allow Greece, Turkey's long-time rival, to drop its veto of the customs union.

In exchange for Athens lifting its objections, the EU would begin negotiations on EU membership with Cyprus six months after the end of the bloc's review of its own future, which is due to begin next year.

Greece is keen to see Cyprus, partitioned into Greek and Turkish communities since 1974, join the union. It has, however, been holding off lifting its veto, demanding various clarifications and concessions.

The customs union, which foresees sharp two-way reductions in trade barriers by

1996, would give Turkey some of the closest links to the EU of a non-member country and unblock as much as \$1 billion in aid.

Thursday's move by the parliament means that even if Greece does lift its veto at a scheduled March 6 meeting in Brussels, major hurdles still lie ahead.

European parliamentarians have long been critical of Turkey's human rights record, particularly its treatment of its Kurdish minority.

In their resolution, they urged the Turkish government to reform the country's constitution "to better guarantee the protection of democracy and human rights."

They said they would make approval of the customs union conditional on interim

progress reports.

British socialist Pauline Green, who heads the assembly's largest single political group, said on Tuesday that parliament should reconsider the question in September.

EU member states have also raised the issue of human rights in Turkey, but tend to agree that helping Turkey economically is better than keeping it in the cold.

"Isolating Turkey would not benefit the democratic forces but the trade must be linked to human rights," Swedish Foreign Minister Lena Hjelm-Wallen said on Wednesday after talks with her Turkish counterpart, Murat Karayilan.

Turkey's Islam-based Welfare Party (RP) said on Thursday the proposed customs deal with Europe amounted to treason.

Israeli police pelted with eggs while hunting for settler

HEBRON, occupied West Bank (AFP) — Israeli police were stoned off with rotten eggs and buckets of water as they tried to arrest a settler's leader in the occupied West Bank on Friday.

Baruch Marzel, a leader of the outlawed Kach movement, evaded house arrest on Wednesday to pray at the grave in nearby Kyriat Arba of Hebron mosque killer Baruch Goldstein.

Settlers kept six policemen at bay with rotten eggs and buckets of water to prevent them from arresting Mr. Marzel, who has a mobile phone and is constantly alerted of police movements.

Police left empty-handed. "I am not afraid of the police," Mr. Marzel told AFP after visiting the grave

of the man he calls "holy" after murdering 30 people in a Hebron mosque last Feb. 25.

The grave is about five kilometres from the centre of Hebron, where Mr. Marzel lives. He had to go through at least three army posts to reach the settlement.

"I went with some other people who are also under house arrest," he boasted, but refused to give their names.

The anti-Arab Kach movement was outlawed after the massacre and a dozen of its leaders, including Mr. Marzel, were arrested for several months. All have since been released, although the movements of several are restricted.

JORDAN TELEVISION

Tel: 77311-19

PROGRAMME TWO

17:00 Cocotte Minutes
17:30 Que Le Millier Gagne
18:00 Association Ben Falcours
19:00 News in French
19:15 Pa Ut Pas Revera
19:30 Ramadan in the World
20:10 The Cape Rebel
21:10 Natural Lies
22:00 News in English
7:20 "Danielle Steel's Fine Things"
23:59 Stay the Night

PRAYER TIMES

04:54 (Sunrise) Pair
06:12 Dhuhr
11:59 'Asr
14:58 Maghrib
17:27 'Isha
18:45 'Isha

CHURCHES

St. Mary of Nazareth Church
Sydney, Tel. 810740
Assembly of God Church, Tel.
632785
St. Joseph Church Tel. 624990
Church of the Annunciation Tel.
637440

De la Salle Church Tel. 61757
Terrence Church Tel. 62366
Church of the Annunciation Tel.
623541
Anglican Church Tel. 630851, Tel.
625433
Armenian Catholic Church Tel.
771331
Armenian Orthodox Church Tel.
772561
St. Ephraim Church Tel. 771751
Armenian International Church Tel.
652526
Evangelical Lutheran Church Tel.
624328
German-speaking Evangelical Con-
gregation Tel. 684195
The Latter-Day Saints Tel. 654932
Church of Nazareth Tel. 675691
The Evangelical Local Church in
Amman
Tel. 811295

WEATHER

Bulletin supplied by the Depart-
ment of Meteorology.

Sky will be partly cloudy with
chance of scattered showers and
winds westerly moderate, in
Aqaba, winds will be northerly
moderate and seas calm.

Min./Max. temp.

Amman 5/14
Aqaba 10/21
Djeris 9/16
Jordan Valley 10/21

JORDAN TIMES DAILY GUIDE AND CALENDAR

Yesterday's high temperatures:
Amman 13, Aqaba 20 Humidity
readings: Amman 65 per cent,
Aqaba 50 per cent.

USEFUL TELEPHONE NUMBERS

NIGHT DUTY

AMMAN:
Dr. Hanna Mansour 750197
Dr. Rabi Zaitoun 888685
Dr. Mahmoud Ammeh 958883
Dr. Abdul Rahim Mustafa 744685
Firas pharmacy 661912
Ferdows pharmacy 778336
Al Asma pharmacy 637055
Nairokh pharmacy 625672
Al Salam pharmacy 637070
Yacoub pharmacy 649495
Shmeisani pharmacy 637660
Najib pharmacy 847632

BRID:
Dr. Ali Al Shogair 246140
Alquds pharmacy (—)

ZARQA:
Dr. Rajib Saqr 901250
Khalif pharmacy 985417

EMERGENCIES

Food Control Centre 637111
Civil Defence Department 661111
Civil Defence Emergency 661111
Rescue 630341
Civil Defence Emergency 199
Rescue Police 192, 621111, 637777
Fire Brigade 671701
Blood Bank 78121
Highway Police 843402
Traffic Police 896390
Public Security Department 630321
Hotel Complaints 635800
Price Complaints 661176
Water and Sewerage

Complaints 897467
Complaints 781111
Telephone Information
(directory assistance) 121
Overseas Calls 010230
Central Amman Telephone
Repairs 623101
Abdali Telephone Repairs 661101
Jordan Television 773111
Radio Jordan 774111
Water Authority 650100
Jordan Electricity Authority 815615

Electric Power 634381
"J Flight Information" 08-53200

HOSPITALS

AMMAN:
Husseini Medical Centre 81381/332
Khalidi Maternity, J. Ann 644281/6
Ajikah Maternity, J. Ann 642441/2
Jabal Amman Maternity 642362
Malhas, J. Amman 636140
Palestine, Shmeisani 664171/4
Shmeisani Hospital 669131
University Hospital 843845
Al-Musabir Hospital 667227/9
The Islamic, Abdali 666127/37
Al-Abdi, Abdali 664164/6
Italian, Al-Muhajirah 771101/6
Al-Bashir, J. Ashrafiah 775110/6
Army, Marka 891611/15
Queen Alia Hospital 602240/50
Amal Hospital 674155

ZARQA:
Zarqa Govt. Hospital (09)983323
Zarqa National Hospital 09905660
Ibn Sina Hospital (09)986732
Al-Haram Modern Hospital (09)990990
BRID:
Princess Basma Hospital (02)255555
Greek Catholic Hospital (02)27275

Queen Alia Intl. Airport 08-53200

Ibn Al Nafies Hospital (02)247100
AQABA:
Princess Haya Hospital (05)314111

FOR THE TRAVELLER

QUEEN ALIA INTERNATIONAL AIRPORT

This information is supplied by
Royal Jordanian (RJ) information
department at the Queen Alia In-
ternational Airport Tel. (08)53200-
5, where it should always be ver-
ified.

ARRIVALS

Royal Jordanian (RJ) Flights

(Terminal 1)

05:45 Jakarta, Singapore (RJ)
09:15 New Delhi (RJ)
09:40 Karachi, Dubai (RJ)
10:15 Beirut (RJ)
10:25 Colombo (RJ)
13:50 New York, Amsterdam (RJ)
16:20 London, Berlin (RJ)
17:55 Frankfurt, Vienna (RJ)
03:15 London, Aqaba (RJ)

DEPARTURES

Royal Jordanian (RJ) Flights

(Terminal 1)

06:25 Beirut (RJ)
07:00 Aqaba (RJ)
11:15 Amsterdam, New York (RJ)
11:35 Geneva, Madrid (RJ)
11:40 Paris, Brussels (RJ)
12:40 London (RJ)
12:45 Cairo (RJ)
19:45 Bahrain, Doha (RJ)
20:30 Larnaca (RJ)
20:30 Jeddah (RJ)
20:40 Damascus (RJ)
21:25 Abu Dhabi, Dubai (RJ)
04:10 London (RJ)

Other Flights (Terminal 2)

04:20 Vienna (OS)
16:10 Rome, Damascus (AZ)
18:15 Dubai (EK)
19:00 Larnaca (CY)
21:55 Paris, Damascus (AF)
22:40 Cairo (MS)
22:45 London (BA)
23:05 Athens (OA)
23:20 Amsterdam (KL)

DEPARTURES

Royal Jordanian (RJ) Flights

(Terminal 1)

06:25 Beirut (RJ)
07:00 Aqaba (RJ)
11:15 Amsterdam, New York (RJ)
11:35 Geneva, Madrid (RJ)
11:40 Paris, Brussels (RJ)
12:40 London (RJ)
12:45 Cairo (RJ)
19:45 Bahrain, Doha (RJ)
20:30 Larnaca (RJ)
20:30 Jeddah (RJ)
20:40 Damascus (RJ)
21:25 Abu Dhabi, Dubai (RJ)
04:10 London (RJ)

Other Flights (Terminal 2)

07:30 Larnaca, Rome (AZ)
07:45 Beirut (ME)
09:00 Vienna (OS)
19:15 Dubai (EK)
20:30 Sanas (FV)
22:40 Larnaca (CY)
23:05 Cairo (MS)
23:59 Damascus, Paris (AF)

MARKET PRICES

Upper/lower price in fils per kg.

Apple 700/400
Banana 680
Banana (Mukhammar) 100/100
Cabbage 140/80
Carrot 220/120
Cauliflower 140/80
Cucumbers (large) 200/150
Cucumbers (small) 180/100
Eggplant 400/300
Garlic 250/180
Grape Fruit 280/170
Lemon 200/120
Marrow (large) 180/10

IN BRIEF

Embassy in Amman not to close, as earlier decided
Sweden to expand aid to Jordan, envoy says
By Elia Nasrallah
Jordan Times Staff Reporter

changes name to Lefkadia
U.S. cigarettes - Hizbullah

U.S. cigarettes - Hizbullah
U.S. cigarettes - Hizbullah

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U.S. cigarettes - Hizbullah

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U.S. cigarettes - Hizbullah

Embassy in Amman not to close, as earlier decided

Sweden to expand aid to Jordan, envoy says

By Elia Nasrallah
Jordan Times Staff Reporter

AMMAN — The government of Sweden intends to expand the level of technical aid to Jordan as a means to bolster its ties with the Kingdom and help it meet the requirements of development, according to the Swedish Ambassador to Jordan Christian Bausch Friday.

The ambassador said that Sweden had been providing technical assistance to the Ministry of Public Works, to the Traffic Department to improve the condition of roads and reduce the number of accidents, to the Telecommunications Corporation (TCC), the Jordan Electricity Authority as well as the Department of Antiquities.

He said that since it assumed office last autumn, the Swedish government had taken a decision to expand technical assistance to the Kingdom and promote its economic and political ties with the countries of the Middle East region.

Referring to a recent Swedish government decision to apply austerity measures, the ambassador said the move was needed "in view of the serious financial crisis the Kingdom of Sweden was facing at the moment."

Each government department in Sweden has been instructed to cut down



FRIDAY SERMONS — His Royal Highness Crown Prince Hassan attends Friday prayers at the Jubeiha grand mosque. The Crown Prince listened to the Friday sermon which focused on the lessons learnt from the Badr battle which took place on 17 Ramadan between Prophet Mohammad's followers and his opponents who mobilised their forces against him in a bid to stop the Islamic dawa from spreading into the Arab Peninsula. The Friday preacher said the Badr battle was a turning point in the history of the Islamic dawa. Also attending Friday prayer were senior military and civil official (Petra photo)

Businesses warned against 'unclear' potential Nigerian clients

By P.V. Vivekanand
Jordan Times Staff Reporter

AMMAN — Jordanian businessmen have been warned against doing business with any Nigerian company without clearing the background of the potential client with the Nigerian authorities, officials and businessmen said Friday.

The warning was issued after cases surfaced of a new Nigerian scam involving manufacturers of satellite dishes in Jordan, they said.

Nigeria is internationally notorious for genuine-sounding deals that hold out promises of millions of dollars in quick profits but turn out to be nothing but scams.

Law enforcement in this African country is also weak, and many who have had experience in dealing with Nigerian firms say that a large segment of the officialdom also appeared to be partners in crime with common.

The officials and businessmen said the latest warning was issued by the Amman Chamber of Commerce, which had received a notification from the Nigerian embassy in Baghdad.

According to the officials and businessmen, the new Nigerian scam involved orders for satellite dishes, a mushrooming industry in Jordan.

They said manufacturers received orders for satellite dishes by the dozen but there were no letters of credit — the accepted traditional way of doing business — to support the order.

Instead, the importer, "in order to avoid costly banking charges and delays — as Nigerians are anxious to use the dishes to watch football games," would offer to settle the payment by cheque against shipping documents.

The orders gathered additional air of authenticity, given that Nigeria was supposed to be hosting the World Youth Soccer Cup. The games have been cancelled but it appears that the con scheme was hatched at the height of expectations that they would go ahead as planned.

"The cheques issued by the so-called importers turned out to be forged, and there was no legal recourse by the exporter to recover his money since the importers had ceased to exist at the addresses as given in the orders," said an official of the Amman Chamber of Commerce.

Thousands of offices operate in Lagos, the Nigerian capital, which offer "address" facilities without question, allowing the confidence tricksters to have a "respectable" address in Lagos but with little legitimacy.

"You can change office addresses in Lagos more easily than you can change your shirt," commented a Jordanian who studied in Africa.

The scam over satellite dishes is a revised version of a con scheme which seems to have petered out in the last two years. That scheme involved authentic-sounding invitations to Jordanian businessmen to help spirit tens of millions of dollars out of Nigeria — described as commission to be paid to senior Nigerian government officials that needed a foreign cover to be transferred outside the country — and receive up to 20 per cent as fees for "services rendered."

Hundreds, if not thousands, in Jordan received such invitations during the late 1980s and early 90s. Many took up the invitation and went ahead, but most of them stepped back at a stage when several thousand dollars had to be committed into the scam before the "millions" could be extracted. But several others threw caution to the winds, went "all the way," and never heard of the thousands they paid let alone the promised millions.

Again, none of the victims — not only from Jordan but from practically every country — had legal recourse to recover their money simply because the very illegality of the scheme dissuaded them from approaching the Nigerian government with complaints.

The determined few who went after their money to Lagos suffered more losses — some were kept hostage in their hotel rooms until their families paid ransom — and were often expelled from the country on trumped-up charges.

Jordan, PNA reach detailed trade accord

By a Jordan Times Staff Reporter

AMMAN — Jordan and the Palestine National Authority (PNA) have reached a detailed agreement on trade, as called for in the accord signed by the Kingdom and the PNA in January, clearing the way for direct trade and setting out items that would enjoy preferential treatment from the two sides.

It was the first Jordan-PNA agreement reached after the signing of the broader agreement and six other sectoral accords on Jan. 26 by Prime Minister Sharif Zeid Ben Shaker and PNA President Yasser Arafat.

The accord replaces all effective agreements that guided Palestinian products through the Kingdom since 1967.

More significantly, it opens the door for Jordanian exports, albeit limited, to the Palestinian market for the first time since 1967.

The trade agreement, drawn in three days of talks between a PNA team headed by economic and trade expert Samir Huleileh and Jordanian officials led by Ministry of Industry and Trade Assistant Under-Secretary Shawkat Haddadin, now awaits final endorsement by the Jordanian government and the PNA cabinet based in Gaza.

The accord covers the Palestinian autonomous territories of Gaza and Jericho as well as the rest of the West Bank where the PNA hopes to expand its self-rule in negotiations with Israel.

The PNA team left Amman on Friday. The trade accord is expected to be placed before the PNA cabinet during its regular weekly meeting on Saturday and, given the urgency to launch direct trade, Mr. Arafat is expected to give his endorsement soon to the agreement.

No details were immediately available on the goods that the agreement covers, but, in principle, officials said, more than 100 industrial products are included in a list of goods for preferential treatment.

These goods will enjoy complete duty-free status, but local sales tax will be applied on them.

Another agreement that streamlined agricultural trade between the two sides is expected to take effect immediately.

This accord was sorted out in talks between Minister of Agriculture Mansour Ben Tarif and Azzam Tubbeh, under-secretary of agriculture in the PNA.

Further talks will be held between the two sides to work out the mechanisms to guide export-import operations.

Jordan will continue to allow the transit of Palestinian produce through the Kingdom's territory but the Palestinian authority will issue its own certificates of origin instead of a Jordanian one used since 1967, Reuter reported.

It was not immediately clear whether the trade accord set any ceiling for imports and exports between the Kingdom and the Palestinian territories. Jordan had been aiming at a ceiling-free accord and the Palestinians have been arguing that they could not accept such an arrangement because of their limited import volume that they also want to use while negotiating trade accords with other parties.

Furthermore, an economic accord signed by the PNA and Israel in April binds the Palestinians into arrangements that do not permit free trade with Jordan, they say. The list of items drawn up on Thursday includes the items that Israel would permit the PNA to import from Jordan under the April agreement.

Meanwhile, Mr. Huleileh was quoted as saying that the list of duty-products would speed up deals between the private sectors of the two sides.

Minister of Trade Ali Abul Ragheb told Reuter that final touches to the agreement would be put during a meeting with Palestinian Economy Minister Ahmad Qouria in late February.

According to Reuter, the goods were defined as complementary and non-competitive — meaning that none of the products given preferential treatment will pose a threat to the local products.

Jordanian officials have said that the Israel-PNA economic agreement, under which Israel effectively maintained its role as the dominant market power in the West Bank and Gaza Strip, restricted the scope of Jordanian-Palestinian trade.

The Israeli-PNA agreement is very detailed and specifically lists items that the self-rule authority could import from Jordan and excludes many products that Jordanian businessmen say they could sell to the Palestinians.

The Israeli argument is that the Jewish state cannot allow such products to enter the Palestinian territories with whom it has a free-trade accord since the products could easily end up in the Israeli market itself.

PNA officials argue that it was a price that the Palestinians had to pay Israel in return for the Jewish state's agreement to accept the establishment of a Palestinian monetary authority and currency.

Australian trade team arrives for talks on strengthening ties

AMMAN (J.T.) — Australia's Trade Minister Bob McMullan arrived in Amman Friday on a three-day visit to Jordan for talks with government officials and the business community on strengthening trade and economic ties between Australia and Jordan.

In an arrival statement, the Australian minister expressed happiness for the visit and his country's satisfaction with the level of economic and trade relations with the Kingdom.

He stressed Canberra's desire to bolster Jordanian-Australian relations and increase the volume of trade between the two countries.

The Australian minister, who is due to open his meetings with Jordanian officials Saturday, is accompanied by a large team of Australian businessmen representing major Australian firms.

Mr. McMullan is also due to lead the Australian side to the joint Jordanian-Australian Economic and Trade Committee meetings to explore further ways to promote trade.

Australia hopes to increase its sales of livestock, meat, dairy products and cereal to the Kingdom, and Jordan hopes to increase its sales of phosphate and fertilisers and potash to Australia, according to government and Australian embassy sources.

Mr. McMullan, who was welcomed at the airport by Minister of Industry and Trade Ali Abul Ragheb, is also due to formally inaugurate the regional office for the Australian Meat and Livestock Corporation (AMLC) located in Jabal Amman. The office is entrusted with the task of promoting Australian trade with Middle Eastern countries, including Jordan.

The Amman Chamber of Commerce announced Friday that Mr. McMullan and members of the Australian delegation are due to hold a meeting Sunday with Jordanian merchants and businessmen led by Haidar Murad, president of the Federation of Jordanian Chambers of Commerce to discuss trade prospects.

Mr. Murad said that the Jordanian side will try to urge the Australians to import more Jordanian products to help adjust the balance of trade between the two countries.

Federation sources said that the Australian delegation's visit assumes significance especially as it comes at the start of the peace era in the Middle East.

Jordan, which enjoys a central location in the area, hopes to attract foreign investments and promote its trade links with other countries, said the sources.

The Jordanian Businessmen Association (JBA) also announced that Mr. McMullan and the accompanying delegation will hold a general meeting with the Jordanian businessmen Saturday, led by JBA Chairman Hamdi Tabbaa.

Swaga prison to skill- train more inmates, expand scope of operations

AMMAN (Petra) — The workshops at Swaga prison, south of Amman, are planning to expand their operations and increase the number of inmates wishing to learn a trade and do productive work, according to prison director, Colonel Hassan Smadi Friday.

He said that the prison operates leather, carpentry and blacksmiths workshops which produce woodwork and metal products like school desks, and metal cupboards, as well as different types of leather products.

The move to expand comes in light of the Council of Ministers' instructions to government departments to order their needs of wood and metal products from the prison whenever this is possible, said Col. Smadi.

He said that the Ministry of Education has given its consent to buying at least 30 per cent of its requirements for school rooms from the prison's workshops.

According to Col. Smadi, the prison workshops also include a laundry which can cater to the needs of large numbers of hotels and other organisations since it starts to fully operate. At present the laundry is covering the needs of the nearby community colleges, added Col. Smadi.

He said that the prison is operating a livestock project, in cooperation with the Ministry of Agriculture, and large areas of land have been reclaimed and planted with fruit trees and animal feed.

These workshops, he explained, are all operating under the direct supervision of specialists and technicians who are helping the inmates transform their life and learn a trade for their future.

Major General Mohammad Tarazi, assistant Public Security Department director, and Brigadier Ali Abul Isam, director of the reformatory centres (prisons), the inmates at Swaga prison are encouraged to learn trades, enjoy regular health care from the Health Ministry, religious guidance from the Ministry of Awaqaf and Religious Affairs, Culture in cooperation with the Ministry of Education, as well as sports programmes.

The prison administration, they said, have worked out plans for improving the sanitary services, sports facilities and vocational workshops during 1995.

They added that plans are under way for creating another vocational training centre at Yajouz and for transforming the centre in Jweidh to serve women prisoners only.

Paediatricians to hold conference

AMMAN (Petra) — A three-day international Arab paediatric conference will be held at the University of Jordan's Prince Hassan auditorium, under Royal patronage, starting with April 12.

The conference will discuss several working papers covering such topics as newborns, premature deliveries and communicable and contagious diseases, according to Abdul Karim Ali Qudah, president of the Jordanian Paediatric Association (JPA) which is organising the conference.

Dr. Qudah said 1,000 paediatricians and professors of paediatrics from 21 Arab and foreign countries will attend the meeting.

In an interview with the Jordan News Agency, Petra, Dr. Qudah said several specialised scientific symposia will be held, in addition to a lecture on the evolution and development of health services to children in Jordan.

A specialised symposium on children's rights, and child abuse will also be held, in cooperation with the United Nations Children's Fund (UNICEF) and the University of Jordan, Dr. Qudah said.

He added that a medical exhibition will also be held on the sidelines of the conference, noting that major local, Arab and international companies dealing with medical equipment will take part in the exhibition.

WHAT'S GOING ON

The following listings are compiled from monthly bulletins and the daily Arabic press. Readers are advised to verify the listed time and place with the concerned institutions.

- PLAYS**
- ★ Play (in Arabic) entitled "You Are Not Yourself" at the Royal Cultural Centre at 9:00 p.m.
- EXHIBITIONS**
- ★ Exhibition of handicrafts by Hasmig Kuyumjian at the Royal Cultural Centre.
 - ★ Photo exhibition at the Friends of Archaeology Center.
 - ★ "Young America" exhibit (with photographs featuring Americans of all ages) at the American Center.
 - ★ Exhibition of works by Qasim Al Samir at the Housing Bank Complex Gallery.
 - ★ Book exhibition at the Royal Cultural Centre.
 - ★ Exhibition of the works of Lebanese artist Amin Al Basha at Darat Al Funun. Also showing works by contemporary Arab artists.

NEWS IN BRIEF

Livestock market to open in Madaba
MADABA (Petra) — The Madaba Municipality has finalised work on a site which will serve as the city's new livestock market. Madaba Deputy Mayor Maddallah Al Tarawneh said the municipality's machineries have worked on preparing the 15-dunum market. The municipality, Mr. Tarawneh said, has allocated a parking area for trucks transporting livestock to avoid traffic jams near the site.

Mayor to study dealers' cases
AMMAN (Petra) — Greater Amman Mayor Mamdouh Al Abbadi Friday discussed with construction cement and iron dealers in Tla'a Al Ali, Khaldia and Umm Al Summaq areas, on the outskirts of Amman, the new regulations issued by the municipality. The regulations ban dealers from trading in cement and iron in the above areas in view of the hazards they cause to the environment. Dr. Abbadi noted that the new regulations were issued in response to complaints by residents of these areas. The regulations provide that such construction materials should be stored in special warehouses. Following a lengthy discussion, the mayor promised to study each case separately and find proper solutions for them.

Diving courses organised in Aqaba
AQABA (Petra) — The Royal Diving Club in Aqaba is currently organising two diving courses for 18 trainees from the United Kingdom, Saudi Arabia, the United Arab Emirates, Oman as well as Jordan.



extends a warm welcome to

THE AUSTRALIAN MINISTER FOR TRADE
THE HONOURABLE SENATOR
Bob McMullan

and the delegates of the

AUSTRALIAN - JORDANIAN TRADE COMMITTEE

visiting Jordan on 18 - 19 February



In Jordan since 1925

Mandela pledges war on crime

S. African police block students after protests

CAPE TOWN (AFP) — President Nelson Mandela Friday vowed to fight corruption, crime and racism as he reopened South Africa's parliament, defending his government's record in the wake of strong criticism.

Inaugurating the second session of the first democratically elected parliament, Mr. Mandela also promised an "investor-friendly climate" under continued fiscal discipline.

On Tuesday, Mr. Mandela's own estranged wife Winnie, who has a deputy minister's post, compelled to make a public apology for a scathing attack on the government, which she had accused in a speech of failing to tackle racism in the workplace.

The administration has also come under fire in some quarters for alleged pampering to the white minority in its bid for national reconciliation and failing to address black majority needs.

While not directly addressing critics, Mr. Mandela acknowledged that the government, which took office after the first all-race elections in April 1994, had made mistakes, but said this was "an inevitable element in the process of learning."

"It is always the case that the spectators are better than the players on the field," he said.

"Whatever the teething problems," Mr. Mandela said, the government of national unity "has succeeded in its intentions of

ensuring cooperation among our people as a whole." In a speech critical of habits acquired both by whites and blacks under apartheid, Mr. Mandela warned against racism, violence and disruption as a means of achieving political ends.

"The battle against the forces of anarchy and chaos has been joined," he said. "Let no one say they have not been warned."

Addressing "those who have... misread freedom to mean license," Mr. Mandela said: "Let me... make this abundantly clear that the small minority in our midst which wears the mask of anarchy will meet its match in the government."

"We are not afraid of struggle. We are, after all, a product of confrontation and struggle."

The rising crime rate "cannot be tolerated," he declared. "We must take the war to the criminals and no longer allow the situation in which are mere sitting ducks."

He called for community support of law enforcement agencies, reiterating a promise that the government "has no intention to conduct a witchhunt against the police" for offences committed under apartheid.

Racism was still a scourge, Mr. Mandela said, referring as a latest example to the riots at Ruyterwacht near where whites demonstrated violently to prevent the bus-ing of black children to a formerly white school.

"Those who are responsible for these crimes of racism must be brought to book without delay," he said. "It is clear that insufficient progress has been made... to deal with this cancer."

"The situation cannot be allowed in which anyone acts in a manner which perpetuates the practice of apartheid."

Corruption — an issue that has gained prominence with recent accusations against African National Congress veterans Allan Boesak and Winnie Mandela — is a legacy of apartheid that "has deeply infected the fibre of our society," Mr. Mandela said.

But he stressed that it should be fought in a fair and just manner.

"At all times we must guarantee the right of the accused to be heard, without making any concession to the primitive instinct to pillory and burn people at the stake," he said.

"We need to educators with the regard to the matter of rooting out corruption, which we will deal with firmly and unequivocally, whoever may be involved," he said.

Mr. Mandela warned that the government "has extremely limited resources to address the many and urgent needs of our people."

"All of us... must rid ourselves of the wrong notion that the government has a big bag full of money," he said. "The government does not have such riches."

"There are signs that our

economy is beginning to pick up," he said, vowing to seek "sustained and high levels of economic growth... (and) in particular to ensure the creation of an investor friendly climate."

"I would... like to emphasize our continuing commitment to fiscal discipline," Mr. Mandela said.

President Mandela, reaffirming the new South Africa's place in the family of nations, Friday pledged particular attention to his country's relations with its southern African neighbours.

In the foreign policy segment of his state of the nation address, Mr. Mandela said he was "inspired by the reality of progressive developments in our region."

He cited the elections in Botswana, Malawi, Mozambique and Namibia, the restoration of democracy in Lesotho with the reinstatement of King Moshoeshoe II and the signing of the Angola peace agreement.

"All this augurs well for the future of our people," he said.

Mr. Mandela warned, however, against "tensions that are building up with regard to population movements within our region."

"We must treat this matter with all due sensitivity, conscious of the history of our region, including the destruction caused by the policy of aggression and destabilisation" of South Africa's previous apartheid regime, he said.



A woman pleads with bystanders after she was mugged and robbed of her glasses and other belongings during a protest by 10,000 schoolchildren in Cape Town city centre Thursday. The protesting pupils flooded to government

offices to demand places in schools formerly reserved for whites. The protest came as whites in the working class suburb of Ruyterwacht said they would not allow black pupils to use the vacant school in their area (AFP photo)

"In all our actions," Mr. Mandela said, "we must move from the position that the fundamental objective we must pursue is friendship, cooperation and solidarity among the peoples of our region."

Meanwhile, armed police prevented hundreds of black children from leaving a South African township Friday, following days of racial incidents between angry whites and thousands of blacks being bused to a suburban Cape Town school.

Four buses carrying children were stopped by police on a main motorway into Cape Town where several people were mugged and fruit-stalls trashed by protesting children Thursday.

Some of the children trying to get to the city were from among thousands who earlier this week occupied an empty

national Women's Conference in Beijing later in the year will be crucial for in which we should make our own humble contribution to the effort to create a better world," he said.

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Some of the children trying to get to the city were from among thousands who earlier this week occupied an empty

school in the mainly-white working-class Ruyterwacht suburb.

The provincial government Thursday closed the school saying it was a health risk. Provincial Education Minister Marsha Olckers said black students had caused extensive damage to the school, breaking toilets, wash basins and water pipes.

Pupils and teachers, prevented from going to Cape Town, told reporters they were determined to get to the city.

"We are marching to Guguletu where we will get on the trains and go to town," a student said.

At Ruyterwacht, 15 kilometres away, whites armed with clubs, chains and whips were out in force in case the black students returned to the school.

French writer accused in cocaine trial

PARIS (AFP) — French writer Françoise Sagan faces a possible 18-month suspended jail sentence and a \$9,300 fine (\$9,300) on charges of possessing and handling cocaine. Prosecutor Bernard Fos called for the writer, who has been on trial since Feb. 1 along with 25 other defendants, to receive the sentence in connection with the offences, which allegedly occurred in 1992. Sagan, who appeared in court Wednesday for the first time since the trial began, said she does not currently use cocaine, but that at the time of the alleged offences it "helped her" following a number of bereavements. The writer defended her right to use drugs. "Every human being is free if his or her freedom does not affect that of others," told the court. "Laws are made to be adopted to people and not the other way round." Sagan was given a six-month suspended sentence and a 10,000 franc (\$1,800) fine for a similar offence in March 1993 in Lyon. The Paris prosecutor urged penalties ranging from three months suspended to seven years for the other defendants involved in the case, who allegedly range from casual users to full-time traffickers.

Vanessa Paradis arrested for drugs possession

MONTREAL (R) — French singer and actress Vanessa Paradis was arrested at Montreal's Dorval Airport and charged with possession of hashish, the Canadian Press (CP) news agency reported. U.S. custom officers say they found about three grams (0.1 ounces) of hashish in her luggage, according to CP. Paradis was on her way to New York City, it said. She was released after posting a \$500 bond and was ordered to appear in court in Montreal next month. CP said, CP quoted reports as saying Paradis then got on a plane to go back home to Paris. French radio reported Paradis had been in Canada to promote the film *Elisa* with actor Gerard Depardieu.

'God Must Have Forgotten Me'

PARIS (AP) — God Must Have Forgotten Me, Jeanne Calment is fond of saying. France's oldest citizen — and, according to some accounts, the world's — is preparing to celebrate her 120th birthday Tuesday. "I've had a beautiful life," she said in an interview published Thursday in the newspaper *Le Figaro*. "With good health, one is happy. I'm still as hungry as a wolf. A 120-year-old stomach... what says more?" Mrs. Calment, born in 1875 in the southwestern town of Arles, where she still lives, has outlasted her husband and her brother. Her daughter and grandson also are dead, she has no direct descendants. But she has wonderful memories, she says. "I'm spoiled, spoiled," she told *Figaro*. She remembers travelling to Paris and dining at the restaurant of the Eiffel Tower when it was still under construction.

India's 'Bandit Queen' embraces Buddhism

NAGPUR, India (AFP) — Indian "Bandit Queen" Phoolan Devi, who spent 12 years behind bars for alleged gunning down 22 men to avenge her gang rape, embraced the Buddhist faith here. Dressed in white, Ms. Devi and her husband, Umaid Singh, took the Buddhist vows of peace and non-violence before 10 monks at a sprawling park in this western Indian city, some 450 kilometres (281 miles) from Bombay. Cheered by a crowd of 15,000 low-caste Hindus who had also converted to the Buddhist faith, Ms. Devi took the vows after Mr. Singh, amid chants and prayers, witnesses said. "I do as my husband does," she said to Dhamma Viro, a Buddhist monk who was her spiritual mentor during her years in prison. Ms. Devi, who is in her early 30s and comes from a low-caste Hindu family, was rebaptized "Buddha Putri" or Buddha's daughter while her spouse took the name "Buddha Putra" (Buddha's son). "Buddhism is not a religion... it is a way of life and the path of peace which leads people to the path of social development," the former gangster told the crowd after initiation.

Major rocked by divisions over Europe, polls

LONDON (R) — British voters and opinion polls underlined the unpopularity of Prime Minister John Major Friday and opposition leader Tony Blair said the Conservative government was paralysed by its splits over Europe.

The Conservative candidate at a parliamentary by-election in south Wales Thursday suffered a humiliating defeat, finishing a poor fourth with less than four per cent of the vote.

An opinion poll for the Guardian newspaper predicted that in a general election the Conservatives would trail 18 percentage points behind the opposition Labour Party.

Labour leader Blair sought to capitalise on Conservative division after a week in which government ministers publicly disagreed about a single European currency.

"A fault line runs... through the entirety of the Conservative Party, and if they can't resolve this, then I think you've effectively got paralysis of government policy," Mr. Blair told BBC Radio.

"You have now got many people within the Conservative Party... who are effectively saying that Britain should withdraw from the European Union."

Mr. Blair said Labour had scored a fine victory in winning Thursday's by-election in south Wales.

The seat, a Labour stronghold, fell vacant when the party's former leader Neil Kinnock joined the European Commission.

The Conservatives' share of the vote in Islwyn slumped to 3.9 per cent from 14.8 per cent at the 1992 general election. It was the third worst Conservative by-election performance since World War II.

Mr. Major told members of his cabinet Thursday they should stick closely to policy in public and not be drawn into "speculative debate."

The warning was delivered after Chancellor of the Exchequer (Finance Minister) Kenneth Clarke denied in a newspaper interview that a single European currency would threaten Britain's position as a nation state.

That argument put Mr. Clarke at odds with anti-European ministers, including Jonathan Aitken, his number two at the treasury, who said he would hesitate for an eternity before taking Britain into a single currency.

Britain revokes 10 N. Irish exclusion orders

LONDON (Agencies) — Britain said Friday that improved security in Northern Ireland meant it was lifting the last 10 "exclusion orders" which prevented designated individuals travelling freely between the province and mainland Britain.

Britain and Ireland are trying measures to cement peace in Northern Ireland, after ceasefires six months ago ended a 25-year-old civil war that cost 3,200 lives.

In the latest step, Northern Ireland Secretary Sir Patrick Mayhew said in a statement: "On the basis of security advice... there is no longer a need to maintain those exclusion orders for which I am responsible."

He said Home Secretary Michael Howard was reviewing a separate 56 exclusion orders for which he was responsible and would announce his conclusions later.

Sir Patrick said he hoped the government would be able to do away with special powers it has under an emergency provisions act that allows for controversial, non-jury trials in the British-ruled province.

"The government's hope is that a lasting peace will prove to be established and that the need for the exceptional powers provided by this act will accordingly be removed," he said.

Irish Foreign Minister Dick Spring said Tuesday that those proposals — intended as the foundation for inter-party talks on Northern Ireland's future — may be published as early as next week.

Both governments want to get pro-British Protestant and Irish Catholic blocs to sit down together and agree on a middle-of-the-road package, which would establish strong ties between the British-ruled north and independent south.

"Can you give us one valid reason why we as Ulster Unionists should not question your integrity and that of... even the prime minister?" Mr. Beggs asked Michael Ancram, a senior British minister in Northern Ireland, as Conservative lawmakers reacted with cries of "shame."

"We feel we have not only been deceived, but we have been betrayed," said Mr. Beggs, considered the most moderate of the nine Ulster Unionist lawmakers in parliament.

"Don't you understand the depths of Unionist frustration, that we perceive there has been capitulation to pan-nationalism and to IRA thugs who threaten to use their guns and Semtex (explosive) if their will isn't expressed in your document?"

Mr. Ancram responded: "I hope you will reconsider those remarks when the joint framework document is published and you are able to see what is in it."

In the Ulster Unionist's letter to Mr. Major, lawmakers William Ross, Martin Smyth and David Trimble said the chance of a lasting peace was being destroyed by the "greed and intransigence" of Irish nationalists, who want an end to Northern Ireland's union with Britain.

They reiterated the party's objections to creating any

Mexican army to stay in Chiapas

MEXICO CITY (AFP) — The Mexican army will remain in Chiapas despite the Zapatista rebels' demand that troops be withdrawn from the southern state before peace talks can begin, the Interior Ministry said.

The attorney general and the Mexican army "will maintain their presence in Chiapas under any circumstance... to guarantee the local population's security and prevent acts of violence," the ministry said in a statement late Thursday.

President Ernesto Zedillo last week ordered a crackdown against the Zapatista National Liberation Army (EZLN) to end their 13-month confrontation in impoverished Chiapas, but called it off on Wednesday inviting the guerrillas to resume peace negotiations.

A Zapatista leader Ana Maria Thursday said: "The EZLN is willing to talk to resolve the conflict," but added that before negotiations could begin Chiapas had to be cleared of federal troops.

Mr. Zedillo also ordered arrest warrants against rebel chief Subcomandante Marcos, and other Zapatista leaders, which Ana Maria also demanded be lifted.

The London-based human rights group Amnesty International said in a statement Thursday that the Mexican military had engaged in torture, arbitrary arrests and

other abuses in trying to put down an indigenous uprising in Chiapas.

"The organisation has confirmed reports that scores of people have been arbitrarily detained and reportedly tortured and ill-treated, in Chiapas, Mexico City and other parts of the country," the human rights group said in a statement.

"Several remain 'disappeared'," Amnesty said. It called for the Mexican government to protect the human rights of the population and to investigate and punish any violations.

"The army carried out arrests of civilians and effectively prevented free access and transit to journalists, human rights monitors and even an international committee of the Red Cross delegate," Amnesty added.

Earlier Thursday, Reuters reporters said the Mexican army's advance deep into Zapatista guerrilla territory had apparently been achieved without human rights atrocities.

They quoted villagers as saying some beatings and illegal detentions took place, but found no proof of rebel claims that the army tortured civilians or bombed villages in its week-old offensive.

While many pro-guerrilla villages had been turned into ghost towns as their residents fled from the army's advance in the southern state of

Chiapas, reporters who were allowed into the conflict zone found no firm evidence of widespread abuses.

In several small villages that leaders of the rebel Zapatista National Liberation Army said had been strafed by army machinegun fire, there were no signs of any such attack.

A U.N. agency Thursday urged Mexico to pull its troops out of Chiapas and stop its campaign against Maya Indian rebels.

The UNESCO conference, which gathers representatives of indigenous people around the world, also urged Peru and Ecuador to stop fighting and settle their jungle dispute.

Nobel Prize winner Rigoberta Menchu herself a Maya Indian from Guatemala, told a news conference these were not Indian conflicts but they were taking place in Indian areas and endangering local populations.

The conference passed a statement drafted by Indian delegates from Ecuador and Peru urging the two countries to declare an indefinite truce.

They declared a ceasefire Tuesday in the conflict over their ill-defined border in the remote Cordillera Del Condor in the jungle foothills of the Andes.

The conference also urged the Mexican government to pull its troops out of the southern region of Chiapas

Republican dissenters hold fast against missile defence system

WASHINGTON (AP) — Republican dissenters held firm against a party commitment to missile defenses, giving the majority leadership an unexpected lesson in the limits of its newly gained power.

But Republicans prevailed in cutting U.S. support for United Nations peacekeeping, a move that Secretary of State Warren Christopher Thursday denounced as "a threat to this and every future president's authority to protect the security of the United States."

Moments after the house voted 241 to 181 in favour of a bill setting a Republican tone for U.S. foreign and defence policy, Speaker Newt Gingrich dismissed Wednesday's vote on a national missile defence system as a "man bites dog" interpretation of what happened.

"It is true that having had 145 votes (in the new Congress), we've lost one amendment," he said. "We think overall that's pretty astonishing."

The Republican leadership had planned to revive the missile defence provision Thursday but backed off when it became clear that not enough dissenters would change their votes.

For some of the 24 Republicans who deserted the lead-

ership Wednesday night, the issue was a basic conflict between two goals of the Republicans — "Contrast With America" — a national missile defence and a balanced federal budget.

"Budget reality dawned on the 24," said Rep. John M. Spratt Jr., a Democrat, sponsor of the amendment that stripped language that required the Secretary of Defence to bring Congress a plan for deployment of a national ballistic missile defence system.

Embarrassed on that one issue, the Republican majority worked its will on the other portions of the bill. As it passed the House, the measure would cut back on U.S. financial support for U.N. peacekeeping and encourage early admission of Poland, Hungary, the Czech Republic and Slovakia into NATO.

In addition, it restricts the authority of the president to place U.S. troops under foreign commanders.

Mr. Christopher said he was dismayed by the bill's passage and the "harmful impact it would have on our national security."

"Intentionally or not, the bill would eliminate peacekeeping as an instrument of U.S. foreign policy and... remove an option that every American presi-

dent since Harry Truman has used to advance our interests," he said.

"The Republican leadership that this measure is not the end of their efforts to reshape defence policy."

"This is not this Congress's last word on defence," said majority leader Richard Armey.

"We have appropriations bills coming... There are many ways to make our point," said Mr. Gingrich.

Defence Secretary William Perry said he was profoundly concerned about the provision restricting the placement of U.S. troops under foreign command.

"It would make difficult, if not impossible, coalition warfare," Mr. Perry said. "I'm implacably opposed to this feature."

At the White House, spokesman Mike McCurry said, "it makes little sense to pour billions and billions of dollars into a defence shield that may or may not work."

Earlier, President Bill Clinton told Mr. Gingrich in a letter that the bill was "simply unacceptable."

Neither Mr. Gingrich nor House Republican whip Tom Delay of Texas, would speculate on the prospects of overriding a veto. The measure first must go to the Senate, where its prospects are uncertain.

Cambodia reports heavy army casualties

PHNOM PENH (R) — The Cambodian government Friday said its army had suffered heavy casualties in a drive against Khmer Rouge guerrillas in the far northern province of Preah Vihear.

Asked the number of casualties, a senior government official with a close knowledge of the fighting replied: "Too much." He added that an exact casualty figure had still not been received in Phnom Penh.

"There are casualties and wounded on both sides, but the main problem is that the Khmer Rouge have laid hundreds and hundreds of new mines. There is sporadic

fighting and the problem is the mines," the official, who asked not to be named, told Reuters.

According to an army report just received from the front two key roads going through Preah Vihear province up to the Thai-Cambodian border were "jeopardised by mines" and many areas in the province were "full of mines," he said.

On Wednesday wounded soldiers evacuated to Phnom Penh said the army had suffered hundreds of casualties in fighting since January, a figure later confirmed by the International Committee for

the Red Cross (ICRC).

The ICRC said Thursday it had given emergency aid to hundreds of Cambodian troops in military hospitals in Phnom Penh and northwest Siem Reap, and more aid distributions were expected next week.

"Both hospitals have had a massive influx of casualties and the majority of them are reportedly from the Preah Vihear area," Urs Boegli, head of the ICRC in Cambodia told Reuters.

The Phnom Penh Hospital was treating more than 450 soldiers and at least 180 had been brought from the north since early January. "With

this number of wounded you can expect an equal or larger number of killed," said Mr. Boegli.

Khmer Rouge radio Friday claimed that 400 government soldiers had been killed in the fighting in which 3,000 troops are involved. Another 700 had died from malaria and 1,200 had deserted from the coalition government's forces, they claimed.

Cambodian Co-Defence Minister Tea Chamrath Thursday said the government army planned to lay siege to the ancient 10th century temple in Preah Vihear, located on the Thai-Cambodian border.

business daily beat

A review of economic news from the Arabic press

CBJ eases pressure

★ The Central Bank of Jordan (CBJ) cancelled a memorandum it issued last month concerning ceilings on credit facilities. According to the January memorandum, a bank was limited to extend no more than 15 per cent of its capital and legal reserves in direct credit facilities to any single borrower. The percentage was 25 per cent for any interrelated group of borrowers. Indirect credit facilities were limited to 25 per cent to any single borrower and 40 per cent to any interrelated group of borrowers. The CBJ is reportedly preparing an amended memorandum which will include new steps that would be easier and simpler to carry out. These would give a six-month reprieve to traders, industrialists and businessmen to meet the new limits (Al Aswaa).

Vanessa Paradis arrested for drugs possession

★ The Tourism Investment Department of the Social Security Corporation (SSC) denied that its hotel at Petra had been sold or that there is any intention to sell it to a foreign company. The corporation is only negotiating with Forum, the company that manages the hotel, to also manage the Petra rest-house, which is currently under the direct management of the SSC (Al Dustour).

God Must Have Forgotten Me

★ Jordan's Middle East Investment Bank will raise its capital to 10 million dinars (\$14.2 million) in a private placement to allow it to expand banking services. Its general manager has said: "We have finalised measures to raise our capital and it has been agreed to raise it by a private placement with 50 per cent from old shareholders and the rest from new investors." Marwan Awad, general manager of the Middle East Investment Bank, told Reuters. He said the rise in capital to 10 million dinars (\$14.2 million) from four million dinars (\$5.7 million) would be finalised in two months. It has been approved by an extraordinary general assembly. The bank, one of the Jordan's six investment banks, was given central bank approval last year to engage in commercial banking on completion of raising its capital. He said the bank's operating profits were 100,000 dinars (\$142,857) in 1994, reversing a loss of 146,000 dinars (\$208,571) the previous year. Mr. Awad said both the capital rise and a management restructuring of the bank will allow it to improve its deposit base and return to net profit in 1995. Total assets rose in 1994 to 50 million dinars (\$71.4 million) from 28 million (\$40.0 million) in 1993.

India's 'Bandit Queen' embraces Buddhism

★ To encourage the public to fly Royal Jordanian, the airline decided on measures by which certain flights will be arranged at prices that could be lower than 50 per cent of the cost of an economy class ticket. These flights, which will be outside the normal schedule, will not require prior reservation (Al Rai).

Major rocked by divisions over Europe, polls

★ The Conservative candidate at a parliamentary by-election in south Wales Thursday suffered a humiliating defeat, finishing a poor fourth with less than four per cent of the vote.

An opinion poll for the Guardian newspaper predicted that in a general election the Conservatives would trail 18 percentage points behind the opposition Labour Party.

Labour leader Blair sought to capitalise on Conservative division after a week in which government ministers publicly disagreed about a single European currency.

"A fault line runs... through the entirety of the Conservative Party, and if they can't resolve this, then I think you've effectively got paralysis of government policy," Mr. Blair told BBC Radio.

"You have now got many people within the Conservative Party... who are effectively saying that Britain should withdraw from the European Union."

Mr. Blair said Labour had scored a fine victory in winning Thursday's by-election in south Wales.

The seat, a Labour stronghold, fell vacant when the party's former leader Neil Kinnock joined the European Commission.

The Conservatives' share of the vote in Islwyn slumped to 3.9 per cent from 14.8 per cent at the 1992 general election. It was the third worst Conservative by-election performance since World War II.

Mr. Major told members of his cabinet Thursday they should stick closely to policy in public and not be drawn into "speculative debate."

The warning was delivered after Chancellor of the Exchequer (Finance Minister) Kenneth Clarke denied in a newspaper interview that a single European currency would threaten Britain's position as a nation state.

That argument put Mr. Clarke at odds with anti-European ministers, including Jonathan Aitken, his number two at the treasury, who said he would hesitate for an eternity before taking Britain into a single currency.

In the Ulster Unionist's letter to Mr. Major, lawmakers William Ross, Martin Smyth and David Trimble said the chance of a lasting peace was being destroyed by the "greed and intransigence" of Irish nationalists, who want an end to Northern Ireland



Bosnian government soldiers leave the "Ramiz Salahi" barracks in the outskirts of Sarajevo to go to the nearby frontlines. Bosnian Serb leader Radovan Karadzic

announced yesterday that his forces will smash the government troops if they will launch a new offensive in the Bihac pocket (AFP photo)

Fighting rages in Bihac despite peace efforts

SARAJEVO (R) — Fighting raged around the Muslim enclave of Bihac Friday as the major powers tried to get Serbian President Slobodan Milosevic to accept a new peace plan.

United Nations peacekeepers reported heavy shelling to the north of the Bihac enclave of northwest Bosnia Thursday and through the night into Friday.

Several hundred mortar detonations were reported around Velika Kladusa on the Croatian border where Serb-backed Muslim rebels are fighting government troops. Another 35 blasts were heard around Bihac town, the United Nations said.

Fighting in the U.N.-declared safe area threatens a seven-week-old ceasefire intended to lay the ground for negotiations on the latest international peace plan to end the war in Bosnia and settle conflicts in the former Yugoslavia.

Bosnian Serb forces surrounding the Muslim government 5th Corps in the area accuse their enemies of breaching the ceasefire with a massive push since mid-January. The Sarajevo government counters that Serbs are shelling their forces.

Russian Foreign Minister Andrei Kozyrev is due in Belgrade this weekend to present fresh proposals to Mr. Milosevic in return for using his influence over the Bosnian Serbs.

Mr. Kozyrev will try to sell

Mr. Milosevic the latest offer from the so-called contact group powers — Russia, the United States, France, Germany and Britain. Under the plan Belgrade would get relief from sanctions crippling rump Yugoslavia's economy in return for recognising Bosnia and Croatia.

"Everyone, not only us, now sees he (Milosevic) is a key figure who favours a settlement," Mr. Kozyrev said in Moscow after talks with international mediators Lord Owen and Thorvald Stoltenberg, who were in Belgrade Wednesday.

"An intensive dialogue is under way. Every party is making a contribution. As far as I can say, we are moving closer to each other," said Mr. Kozyrev, who has argued, against Washington, that Mr. Milosevic must be helped if a peace deal is to take hold.

Under the contact group plan Bosnia would be divided into roughly equal parts between the Bosnian Serb side and a Muslim-Croat federation. Croatia would be recognised within its pre-war borders, including the 30 per cent of its territory, the Krajina, now held by Croatian Serbs.

Accepting such a deal would compel Mr. Milosevic to surrender the nationalist goal of a greater Serbia and leave him open to charges of abandoning ethnic Serbs to Muslim domination in Bosnia and Catholic domination in Croatia.

"Milosevic could lose elec-

tions over this," Mihajlo Markovic, second in command of the ruling Socialist Party, told Reuters. "Many Serbians would not like it. It would reduce the Serbs (in Krajina and Bosnia) to an endangered minority."

It is also not clear how much leverage the international community has over Mr. Milosevic.

Sanctions are damaging heavy industry but life in Belgrade goes on much as usual. The shops are full of smuggled western goods and petrol is available on any street corner — bought by the bottle from smugglers.

"He (Milosevic) is already criticised for making concessions without much benefit," Mr. Markovic said.

Bosnian Serb leader Radovan Karadzic, already isolated by his former ally Mr. Milosevic, is in no mood to compromise or talk peace.

He has no intention of embracing the contact group plan which would force his troops to surrender a large chunk of the 70 per cent of Bosnia they have won in three years of bloody battle against the Muslim forces.

"If the international community wants war, there will be war. If it wants peace then it will make peace, but not at our expense," Mr. Karadzic said Thursday.

Meanwhile a U.N. military spokesman said in Sarajevo Friday, food shortages in Bihac are serious, but no one has yet starved to death in the northwest Bosnian pocket

and reports of a famine there are inaccurate.

Major Herve Gourmelon, of the U.N. Protection Force (UNPROFOR), said the situation in the UN-patrolled enclave was "not as dramatic or desperate" as some reports had suggested, adding that "one can speak of malnutrition but not of famine" there.

His comments, based on "reliable" information from U.N. peacekeepers, came a day after the Geneva-based office of the U.N. High Commissioner for Refugees (UNHCR) said the pocket's population — estimated at around 200,000 — remained on the verge of a disastrous famine.

And in Rome Thursday, the World Food Programme (WFP), the U.N. organisation in charge of food distribution, warned that 10 to 20 per cent of the enclave's population risked starvation.

Maj. Gourmelon said the four-month Bosnia-wide ceasefire between Bosnian Serb and government forces that came into effect on Jan. 1 had been repeatedly violated in Bihac, and life was difficult for the enclave's most vulnerable inhabitants.

But "when things become critical the (secessionist) Serbs let an (aid) convoy through," he said.

A 96-tonne UNHCR convoy was unloaded Thursday in Cazin in the south of the enclave, while Bangladesh peacekeepers in the enclave distributed an additional 15 tonnes of food, he said.

Socialist leader to face trial

French conservatives move closer to all-out presidency war

PARIS (R) — France's rival conservatives moved closer to all-out war in the presidential election campaign Friday, trading accusations of sabotage and incompetence as polls showed a sharp drop in support for Prime Minister Edouard Balladur.

Former Centrist President Valéry Giscard d'Estaing made a stinging attack on Mr. Balladur, the frontrunner for the April-May election, accusing him of weakness and seeking to please rather than govern.

Mr. Balladur and his supporters, worried by the slump in his standing in opinion polls, trained their guns on rivals splitting the conservative vote and accused them of running the suicidal risk of helping the opposition Socialists.

Three surveys this week said Mr. Balladur's lead over Socialist Lionel Jospin for the April 23 first round was narrowing, although they forecast he would easily win the May 7 run-off.

"Edouard Balladur, you must choose: Rule or please?" Mr. Giscard d'Estaing wrote in the leftist daily Liberation. "I have not seen any strong government action in what you have presented."

He said Mr. Balladur's presidential platform, unveiled this week, fell short of the drastic steps needed to curb a budget deficit and near-record 12.6 per cent unemployment.

The French people do not like those who follow rather than lead them... personally I do not intend to go into the year 2000 asleep," Mr. Giscard d'Estaing said, recovering his past presidential tone. He lost the presidency in 1981 to Socialist Francois Mitterrand.

His comments could hint at a rival presidential bid, either his own or that of centrist ex-Prime Minister Raymond Barre who is expected to announce his intentions next week.

Mr. Balladur, in his first campaign rally Thursday night, accused rivals of paving the way to a victory for the left. "There are some specialists... who know how to cause defeat," he said.

His barbs, mostly directed at fellow-Gaullist presidential candidate Jacques Chirac, were also a clear warning to potential centrist contenders to stay out of the fight.

His senior supporters unleashed a barrage in all directions. Defence Minister Francois Leotard called on Mr. Chirac to stop suicidal attacks on Mr. Balladur and Social Affairs Minister Simone Veil warned fellow-centrists against joining the election fray.

"I find it saddening that the (centre-right) majority's first casualties in 1991 and 1993 are contributing to the division," Ms. Veil said. "Mr. Mitterrand beat Mr. Chirac and Mr. Barre in 1988."

"We are definitely, irremediably, incurably the world's most stupid right!" Interior Minister Charles



French Prime Minister and presidential candidate Edouard Balladur waves at supporters as leaflets float around him during a campaign rally in the eastern Paris suburb of Nogent-sur-Marne. Budget Minister and spokesman of the candidate Nicolas Sarkozy (right) and Health Minister Simone Veil (2nd right) also attended the meeting (AFP photo)

French Prime Minister and presidential candidate Edouard Balladur waves at supporters as leaflets float around him during a campaign rally in the eastern Paris suburb of Nogent-sur-Marne. Budget Minister and spokesman of the candidate Nicolas Sarkozy (right) and Health Minister Simone Veil (2nd right) also attended the meeting (AFP photo)

Pasque asked. "Are we to offer our opponents much longer the show of our divisions?"

Mr. Chirac, who has ruled out withdrawing despite trailing third in opinion polls, was preparing to fire back in a major campaign speech later Friday.

The left faced problems of its own. The Radical Group said it had not won requested concessions from the Socialists and might field its leader Jean-Francois Hory as a rival of Mr. Jospin.

In another setback for the Socialist Party, a court ordered its leader Henri Emmanuelli to stand trial on suspicion of illicit party funding when he was treasurer.

Mr. Emmanuelli, who lost the party's presidential nomination to Mr. Jospin, is already due to go to trial next month in a related political corruption case.

The right is also troubled by corruption probes. A court Friday rejected an appeal for the release of Gaullist former Communica-

tion Minister Alain Carignon who has been held for nearly five months in a graft inquiry.

Judicial sources said the court ordered Mr. Emmanuelli and another former Socialist Party treasurer, Andre Laignel, to stand trial on suspicion of illicit party funding. It said they had not personally enriched themselves but that they could not be ignorant of the way the party was funded.

State prosecutors had asked for the case to be dismissed for lack of evidence. Both Mr. Emmanuelli and Mr. Laignel, placed under investigation in 1993, have denied the accusations.

Mr. Emmanuelli's lawyers appealed against the ruling, saying that the court had previously dismissed similar cases involving government ministers.

The probe centres on allegations that a consultancy firm accepted donations on behalf of the party from building companies in exchange of preference in public works tenders in the Mediterranean port city of Marseille.

Ecuador, Peru sign ceasefire agreement

BRASILIA (AFP) — Ecuador and Peru signed a ceasefire agreement here early Friday that calls for international observers to monitor a border area both countries have been fighting over since Jan. 26.

After consulting their governments, Deputy Foreign Ministers Eduardo Ponce, of Peru, and Marcelo Fernandez de Cordoba, of Ecuador, signed the agreement at 0450 GMT at the Brazilian Foreign Ministry at Itamarati Palace, the official statement said.

The agreement was drawn up earlier this week by Argentina, Brazil, Chile and the United States, all guarantors of a 1942 border treaty that failed to demarcate a 78-kilometre (48-mile) area in the Andes' Condor range.

An observer mission made up of military officials from the four guarantor countries will head to the disputed border area within 48 hours, Brazilian Deputy Foreign Minister Sebastiao do Rego Barros said.

The observer mission will last 90 days but can be extended if needed, the agreement said.

The signing of the Tamarit Peace Declaration was preceded by an announcement in Lima by Peruvian President Alberto Fujimori that he found the agreement generally "acceptable."

In a joint statement, the guarantor countries said they welcomed the peace accord, stressing that, in Quito and Lima had also agreed to bilateral negotiations to find a lasting solution to their border dispute.

Ecuador in 1960 unilaterally rejected the 1942 Rio Protocol that ended a war between the two countries.



In this photo released by the Peruvian government, President Alberto Fujimori (left) poses with soldiers in the Cenepe River at the border with Ecuador (AFP photo)

In this photo released by the Peruvian government, President Alberto Fujimori (left) poses with soldiers in the Cenepe River at the border with Ecuador (AFP photo)

Under the Rio accord, Quito lost almost half its territory and its direct access to the Amazon River, a grievance it has nurtured over the decades.

Mr. Fernandez de Cordoba said negotiations to set the border in the disputed area would follow the full implementation of the ceasefire agreement.

The agreement calls for a demilitarised zone in the disputed border zone and a gradual demobilisation of military troops from both countries in all nearby areas.

The observer mission, which Argentinean Foreign Minister Guido Di Tella said Thursday in Buenos Aires would include 10 military and civilian officials from each guarantor country, will set up headquarters in the areas of greatest friction, such as the border posts of Twintza and Base Sur, the accord said.

A tentative truce had been in place since Tuesday after Mr. Fujimori declared a unilateral ceasefire and Ecuadorian said its troops would only respond if fired upon.

At least 70 Peruvian and Ecuadorian soldiers have been killed since the border war began.

On Thursday, Ecuadorian President Sixto Duran Ballen said in Quito that clashes continued in the border conflict despite the truce and challenged Lima to accept the four-nation peace plan immediately.

Mr. Fujimori late Thursday said the peace proposal in Brasilia was "acceptable," adding that his government agreed with three key provisions in it and that only "small modifications" were needed. He did not elaborate.

Back in Lima after a two-day visit to the disputed border area in the Andes' Con-

dor range, Mr. Fujimori told reporters that the four-nation proposal meant a total ceasefire was in effect in the three-week conflict.

As peace talks advanced in Brasilia, Peru Thursday released 20 Ecuadorian civilians it had captured since the fighting began, while Ecuador freed 21 Peruvians.

Mr. Fujimori Thursday backedtracked on an earlier boast that Peruvian forces had driven all Ecuadorian troops out of what he claimed was Peruvian territory, recapturing from Ecuador posts including Twintza.

On Tuesday, reporters and Red Cross representatives toured Twintza and said it was still in Ecuadorian hands.

Both countries insisted the other started the latest round of fighting in the unmarked stretch of border at the headquarters of the Cenepe River.

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India to fence off Kashmir border with Pakistan

JAMMU, India (AFP) — India plans to fence off parts of its border with Pakistan in the northern state of Kashmir to prevent cross-border arms smuggling by Muslim militants, officials said here Friday.

Engineers will also install floodlights along the zone to help Indian security forces patrol the border in Kashmir, the officials said.

They did not say when the operation would begin, but added that almost 200 kilometres (120 miles) of border territory between the Akhnoor and Pahalpur sectors would be fenced off at a cost of \$100 million.

The sources said a survey showed that cross-border smuggling of weapons by the

rebels was continuing into Indian-held Kashmir, adding that without fencing off the region it would not be possible to close the "loopholes."

Indian security forces have also agreed to increase the number of their frontier posts from the 60 at present to 150, the official sources said here.

Kashmir's winter capital. A line of control stretching 1,000 kilometres (600 miles) demarcates the zones of divided Kashmir, heavily guarded by tens of thousands of troops from both countries on either side of the frontier.

New Delhi, which administers the southern two-thirds of Kashmir, accuses Islamabad of training and arming Muslim guerrillas in the

Pakistani zone of the Himalayan province. Pakistan denies the charge, saying it only extends moral and diplomatic support to the Muslim secessionist drive, which has left more than 10,000 people dead since 1989 when the rebellion gained momentum.

India fenced off parts of its 850-kilometre (510-mile) border with Pakistan in Punjab when Sikh separatism reached its peak in the northern state in the late 1980s.

Meanwhile eight Muslim rebels from the powerful pro-Pakistan Hizbul Mujahideen group were killed near an Islamic shrine during a gun battle with Indian troops Friday, a Hizb press statement

said here.

Two militant leaders were among the eight killed near the mausoleum of Charsharif, some 37 kilometres (23 miles) from the Srinagare, it said, adding that an unspecified number of security forces had died in the firefight.

Meanwhile, five militants were among seven people killed in overnight secessionist-linked violence across the troubled state, the Press Trust of India said Friday.

More than 10,000 people have died in Kashmir since 1989 when Muslim militants stepped up their campaign against Indian rule. India accuses Pakistan of fomenting militancy in Kashmir, its only Muslim-majority state, but Islamabad denies the charge.

N. Korea warns U.S. again

SEOUL, South Korea (AP) — In sit-for-tat diplomacy, North Korea warned Friday it is ready to scrap a nuclear deal if Washington continues to try to impose "unjustifiable preconditions."

The warning, in a report by the North's Communist Party organ Rodong Sinmun, indicated the Communist government has no intention of changing its intransigence on the nuclear deal, although U.S. and South Korean officials say this may be a bargaining ploy.

The report said implementation of the accord will only occur on a step-by-step basis, with Washington talking the first step. It also rejected dialogue with South Korea as a precondition.

"As we declared more than once, it is our firm position that if the U.S. does a thing, we will do a thing and if the U.S. does two things, we will do the same," the paper said in a commentary.

"We have never made an empty talk. We mean what we say," said the commentary, carried by the North's official Korea Central News Agency (KCNA).

North Korea is unhappy with a U.S. plan to provide it with South Korean-made reactors under the Oct. 21

nuclear deal aimed at opening up the North's nuclear programme, suspected of nuclear weapons production. The North cited safety problems for rejecting South Korean-made reactors, but analysts believe the real reason is national pride.

Early this week, the North, in its strongest language yet, threatened to pull out of the nuclear deal if the United States insists on giving it South Korean reactors.

North Korea reportedly prefers a Russian or German model, although analysts say it might be possible to use the South Korean model if it's provided through an intermediary.

"There is no doubt that if the issue of the type of LWRs (light-water reactors) is resolved, other matters will be solved smoothly," Rodong Sinmun said.

Washington maintains the South Korean model is the only viable option for financial reasons. South Korea says it will pay for most of the reactors' \$4 billion costs, but only if its model is adopted.

Another hitch is a U.S. demand that the North open dialogue with its southern capitalist rival, as part of the nuclear deal.

Spain in fresh political

turmoil with new arrest

MADRID (R) — Spain faced fresh political turmoil Friday after a former top security official was remanded in jail on charges of involvement in a secret war against separatist Basque guerrillas in the 1980s.

Rafael Vera, secretary of state for security in the Interior Ministry for 11 years, was sent to prison without bail by investigating Judge Baltasar Garzon after four-and-a-half hours of questioning Thursday night.

Mr. Vera is the most senior former official named in the investigation into the anti-terrorist liberation group (GAL), which operated on the fringes of Spain's security forces.

The probe shook Prime Minister Felipe Gonzalez's minority Socialist government and Spain's financial markets late last year and in the first weeks of this year.

GAL killed 27 alleged Basque separatists in southern France between 1983 and 1987.

Before Mr. Vera, four ex-policemen and security officials, including Mr. Vera's personal secretary, had already been remanded in

custody since Judge Garzon reopened the case last December on the basis of fresh evidence from two former Basque region policemen, themselves convicted of GAL crimes in 1991.

The political crisis triggered by the case saw financial markets and the peseta nosedive and brought repeated opposition calls for an early general election, but it appeared to have calmed in the past two or three weeks.

Financial markets rebounded on the back of general economic optimism and Mr. Gonzalez emerged a clear points winner from a bruising contest with conservative Popular Party (PP) leader Jose Maria Aznar in last week's state of the nation debate in parliament.

But news of Mr. Vera's arrest, although widely expected, added fuel to the smouldering fire.

PP spokesman Rodrigo Rato kept to the attack, terming the jailing of the ex-security boss "a qualitative jump" in the level of suspected official involvement in GAL.

Japan marks month since quake with relief budget

KOBE, Japan (R) — Japan Friday took the first step in meeting the daunting cost of reconstruction after last month's devastating Kobe earthquake by hammering out a special budget for disaster relief.

Prime Minister Tomichi Murayama's cabinet endorsed the outline of a supplementary budget totalling 1.02 trillion yen (\$10.2 billion) to finance initial reconstruction costs.

The government estimated Thursday that rebuilding the earthquake-hit areas of central Japan would cost at least 9.6 trillion yen (\$96 billion). Mr. Murayama has been

severely criticised for the central government's slow response and failure to contain damage from the earthquake.

Clearly anxious to dispel that impression, the budget outline was unveiled a week before the budget bills would be formally submitted to parliament.

A Finance Ministry official told reporters the government wanted to "relieve victims by letting them know how things are proceeding with reconstruction measures."

Earlier, parliament approved Mr. Murayama's first concrete measure since the disaster, a package of

bills to cancel or cut income taxes and other levies for those who have lost members of their families or homes.

At noon Friday, exactly one month since the killer earthquake razed the port city of Kobe, tens of thousands of people observed a minute of silence.

As bells tolled atop the Hyogo Prefectural Hall in Kobe, workers at reconstruction sites, refugees at evacuation centres and people on the streets stopped and bowed their heads.

Police Friday said at least 5,391 people were confirmed killed by the 7.2 Richter ear-

quake, which struck at dawn on Jan. 17. Two people were still officially listed as missing.

It was Japan's worst natural disaster since the 1923 great Kanto earthquake, which killed 140,000 in Tokyo and Yokohama.

"We have just lost too much," Hyogo Governor Toshitomi Kaihara told a news conference. "I vow to keep stressing the importance of disaster prevention."

"I pray for the souls of all the precious lives that were lost and will now offer a minute's silence together with everyone," Mr. Kaihara said before starting the rite.

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Way out of logjam

THE EGYPTIAN-sponsored draft treaty to ban all mass destruction weapons in the Middle East, including Iran, was tailored specially to meet Israel's transparent objection to ratify the Nuclear Non-Proliferation Treaty (NPT) and open the door for a comprehensive Arab endorsement of the proposal to extend the treaty indefinitely. The Israeli Prime Minister, Yitzhak Rabin, has repeatedly declared that his country will never renounce its military nuclear capability because of the Iranian and Iraqi nuclear potentials.

The extension of the NPT is up for consideration in April, but some Arab states, notably Egypt and Syria, have vowed not to put their seal of approval on any such extension without Israel's joining the countries already committed to this goal.

Arab League Secretary General Esmat Abdul Meguid has naturally picked up the Egyptian initiative and made it his own. But what seemed at the outset to be an Arab unifying stance on the NPT ended up becoming a major dividing policy when a meeting of experts of the Cairo-based Arab League failed Wednesday to recommend the endorsement of Cairo's position to the upcoming Arab Foreign Ministers' meeting in the Egyptian capital next month.

We believe that the idea of drafting a Middle East regional treaty banning all mass destruction weapons, including nuclear, biological and chemical arsenals, is supportable but may prove to be unworkable for an obvious reason: Israel's rejection of the NPT stems not only from its anxieties about other countries in the area developing or acquiring mass destruction bombs but also because it fears the long-term Arab might and its numerical edge. Given this reality and the fact that there is no way that Cairo and other Arab capitals with known nuclear know-how would ever accept to be bound by a treaty that does not bind Israel as well, the parties in this region of the world should look elsewhere for ideas to end this standoff than just to the proposed Middle East treaty outlawing all mass destruction weapons.

One way out is to keep at least Egypt, and maybe also other countries non-committal on the NPT and its extension for as long as necessary or basically until the Middle East becomes blessed with a truly comprehensive and just peace that would eliminate the option of war as a method to solve conflicts.

ARABIC PRESS COMMENTARIES

ON THE first anniversary of the Ibrahimi Mosque massacre, Arabs and Jews clashed in Hebron, and they are bound to continue clashing as long as they meet and as long as the Israelis occupy Arab land, said Al Ra'i daily. The Jewish settlers, in defiance of Arab feelings and in disregard to their religious sites, are continually provoking the Arabs and, with the help of the Israeli army, are desecrating Muslim shrines, said the paper. The paper said that the Palestinians, who offered so many sacrifices and many martyrs for the sake of securing freedom and ending the Israeli occupation, are ready to continue the struggle, and this was their message to the world and to the Israeli leadership on the first anniversary of the massacre. As long as Israel continues to delay the implementation of its agreements with the Palestinian leadership, the Palestinian lands are bound to witness further acts of violence and bloodshed, continued the daily. It said that the way for preventing friction is a total separation between Arabs and Jews and an end to Jewish settlement programmes on Arab land.

IBRAHIM ZAROUR, a columnist in Al Ra'i, said that Israel is the only Middle Eastern state that possesses nuclear weapons in addition to the other mass destruction weapons. Had it not been for America's continued economic, financial and other kinds of help, the Jewish state could never have possessed this horrible arsenal, which the Zionists use to threaten the Arab Nation, said the writer. It is natural then for the Arabs to feel insecure and for Egypt to demand that Israel sign the nuclear (Non-Proliferation Treaty (NPT) and open its nuclear installations to international inspection, said the writer. Washington is trying to belittle the concern raised by Cairo over this issue and is claiming that the Cairo-Tel Aviv dispute is a matter of difference of opinion, which the two sides would soon overcome, he added. But, he said, Egypt realises too well the grave danger inherent in Israel's arsenal and is determined to spearhead Arab efforts to see that the Israeli nuclear power is checked.

Jordanian Perspective

Something 'entirely wrong' with peace process

By Dr. Musa Kellani

THE ISRAELI decision to "ease" its siege of the occupied West Bank and the Gaza Strip was probably only a tangible outcome to Thursday's summit between Palestine Liberation Organisation (PLO) Chairman Yasser Arafat and Israeli Prime Minister Yitzhak Rabin. But if that is touted as a breakthrough in the Israeli-Palestinian peace negotiations, then there is something seriously wrong in the entire process.

For one thing, the very essence of the Israel-PLO Declaration of Principles signed in September 1993 is the concept of negotiations to determine the future status of the West Bank and Gaza Strip. But it has been made abundantly clear since then that the Israeli perception of those "negotiations" is based on pressuring the Palestinians in all ways possible and force them to succumb to whatever Israel dictates in terms of final status.

The Israeli cutoff of gasoline to the Gaza Strip for several days last week and Israel's denial to allow fuel supplies to the Strip from Jordan or from Egypt were the best examples of this mentality.

In any case, given the situation as it is today on the Palestinian ground, one would have expected Arafat and Rabin to agree to bring forward the "final status" negotiations. That would then have been a major breakthrough. But then, the Israeli posture of "full commitment" to the terms of the Declaration of Principles would not have allowed that to happen.

What concerns us in Jordan most is the continuing deterioration of the situation in the occupied territories.

Arafat and Rabin could meet every day or every hour but if those meetings do not produce tangible results in terms of the living conditions of the Palestinian people, then there is little sense in pinning hopes that the peace process, at the direction and pace it is going now, would produce a just solution and bring about an end to the decades-old conflict in the region.

From our vantage point the main component in the stalemate in the Israel-PLO track is Rabin's political inability to offer the peace process the right momentum and push that it requires. Rabin is tied down by the political consideration that he could not offer any "concessions" to the Palestinians because such a move would seriously undermine his standing with the electorate and destroy his political future.

We do understand the political requirements of Rabin to continue in power for some time more if only because of the certainty the situation could only get worse in the event of his Labour Party's rival, Likud, and its leader Benjamin Netanyahu, scoring success in their campaign to topple him and call early elections. But what we do not understand is why the fate of an entire people who have suffered for so many decades simply because that suffering suited the world powers be tied to an individual's or party's political future.

The crackdown that Arafat has been forced to order against his own people to appease the Israelis is the best example yet of this Israeli "prerequisite". But what is being

eroded in the bargain is the political standing of Arafat and the PLO to the detriment of the chances of success of the peace process. This basic contradiction does not seem to be understood or appreciated by Israel, which, given its way, would definitely like to have the PLO chairman assuming the role of Antoine Lahd in the Gaza Strip and acting as a policeman for his own people rather than the leaders of an independent people who yearn for a life in freedom and dignity.

All said and done, it is very clear that there is no magic solution to the deadlock in the Israeli-Palestinian track except of course an immediate Israeli move to withdraw entirely to the pre-1967 lines with no exception, leaving the Palestinians to handle their own affairs. Israel will have to take the "painful" decision to evacuate the Jewish settlements in the West Bank regardless of the political price that Labour would have to pay for such a move.

Of course, there cannot be an overnight move along those lines. It needs careful planning and approach, but the process has to start sooner than later if Israel wants to put an end to the cycle of violence and extremism that is threatening to undermine everything that has been achieved in the peace process so far. That would mean Israel ought to drop its demands on how the Palestinians should run their affairs and bring forward the final status negotiations. That might be in contradiction of the Declaration of Principles, but then will that be the first time the declaration has been contradicted by the Israelis?



Arabs should have a unified stand against Israel's nuclear threat

By Elia Nasrallah

THE LOCAL Arabic dailies last week discussed Israel's nuclear capabilities and their threat to the Arab Nation, the deadlock in the Middle East peace process on the Israeli-Palestine track and a host of domestic affairs.

In discussing Israel's nuclear power, a columnist in Al Dustour daily said that the current Arab efforts to force Israel to sign the Nuclear Non-Proliferation Treaty (NPT) is not only an Egyptian undertaking but rather a pan-Arab endeavour to ensure pan-Arab security. The Arab countries are due to discuss the issue at the Arab League level in the coming month and it is then that they will show whether they are united on this issue or whether they are in disarray in the face of Israel's threats, said Taher Al Adwan. The writer said that the United States, which continually supports the Israeli stand, was bound to exercise pressure on the Arabs to accept a compromise settlement which would not end the Israeli threat to the Arabs.

He said that the Arabs should not accept a kind of peace imposed by the threat of nuclear weapons. Mohammad Kharoub, a columnist in Al Ra'i daily, voiced his regret that the Arab countries have not yet reached a consensus on how to deal with the Israeli nuclear threat, largely due to inter-Arab differences. Israel does not want to open its nuclear installation to international inspection and it pursues efforts to build its nuclear arsenal, said the writer. Israel's refusal to sign the NPT, said the writer, gives rise to Arab fears that the Jewish state is determined to impose a settlement on the Arab Nation through the power of nuclear weapons and with backing from the United States. It is regrettable, said the writer, that the Arabs remain in disarray in the face of the common threat that is posed to their present and

future.

Tareq Masarweh, a columnist in Al Ra'i daily, criticised the U.S. Secretary of State Warren Christopher for demanding that the Arabs and not Israel should sign the NPT in April. The writer said that the United States, which is keen on protecting the Jewish state, does not care whether the Israelis threaten the Arabs with nuclear weapons or not as long as Tel Aviv possess the means to protect itself.

Sultan Al Hartab, a columnist in Al Ra'i, called on the Arab masses to protest against Israel's continued acts of repression on the Palestinian people. The writer said that protests can be made through the Israeli embassies in Amman and Cairo and can be presented at the official and popular levels. We should not bury our heads in the sand and pretend that nothing is happening in Israeli-held Arab lands, where our kinsmen are facing untold suffer-

ing in Al Dostour that negotiations with the Israelis do not help to secure the withdrawal of occupation forces from Arab lands if they are not backed by resistance activities. The writer said that Israel does not wish to withdraw from Arab land and nice words would not force it to pull out its forces. He said that the Palestine National Authority (PNA) should use the resistance and encourage resistance activity as a way for forcing Israel to accept and comply with the requirements of peace.

Mohammad Mahasneh, a writer in Al Dostour, commented on the Arab-Israeli-American meeting in Washington, saying the meeting was a failure because it could not force the Israelis to comply with the peace requirements. The Palestinian-Israeli track has been derailed due to Israel's fears of the self-rule, which is bound to extend to other Palestinian lands and deprive the Jew-

lished the names of those responsible for the firm's failure, and had them account for their actions. Since members of the board of directors receive payment in return for their efforts when their companies achieve success, he added, these board members ought to be made to account for their actions in case of failure.

In discussing the carnage on the roads as a result of road accidents, Mohammad Kawash, a writer in Al Dostour, said that increasing penalties on violators of traffic rules might not deter motorists from speeding or reckless driving. The writer said that the spreading of awareness among the public against speeding for instance, should be stepped up not only through the media but rather through the schools and the local communities. The latest increases in the number of road accidents reflect the fact that all measures which have been taken to curtail accidents have gone in vain and, said the writer, the time has come for the concerned authorities to try their hand at a different approach.

George Haddad, a columnist in Al Dostour, said it has become clear to all Arabs and the world at large that it is the Americans who insist on maintaining the embargo on Iraq. Despite the implementation of all U.N. resolutions, the Iraqis are still under siege because the United States wants to peddle its weapons and sell its arms to the Gulf states, which Washington continues to warn against Baghdad's imaginary threat, said the writer. It is regrettable, he said, to hear the Arab League Secretary General announcing that pan-Arab reconciliation and an end to Iraq's plight could only come through Baghdad's compliance with U.N. resolutions. The writer said that such statement reaffirms the fact that the Arab League has now deteriorated to the lowest level and can by no means be counted on to handle any Arab issue.

Gulf states frustrated but may sign NPT

By Ashraf Fouad

Reuter

DUBAI — Unwilling to give regional rivals Iran and Iraq pretexts to stay out of a global nuclear non-proliferation pact, Saudi-led Gulf Arabs may be persuaded to sign it despite their anger at Israel's refusal to do so.

Arab and Western political analysts also said the six nations of the Gulf Cooperation Council (GCC) were reluctant to cross the United States, which rushed to their defence after the 1990 Iraqi invasion of Kuwait.

Washington is pushing its allies hard to sign the nuclear Non-Proliferation Treaty (NPT) when it comes up for renewal in April. But Arabs are dismayed that this pressure does not appear to include Israel, which has never signed the treaty. Israel is widely believed to have about 200 nuclear warheads, the only country in the Middle East to have a nuclear arsenal.

Israeli Foreign Minister Shimon Peres insisted on Monday the Jewish state would not sign the treaty despite a sharp exchange with Egypt over the issue at a meeting of Arab-Israeli foreign ministers in Washington on Sunday.

The analysts said Gulf Arab states supported Egypt's campaign to persuade Israel to sign the treaty and resented the U.S. pressure on them as evidence of double standards that gave Israel the benefit of the doubt in the Middle East.

But they have so far stopped short of joining Cairo's demand that Arabs should make their signature conditional on Israel's accession to the treaty.

"GCC frustration with Israel putting itself forward as a special case is understood... but they have a different set of considerations than Egypt," said one Western diplomat.

"I'll be surprised if the GCC gives a definite 'no' to NPT," he said. "I don't think we are at a make-or-

break point. There is a lot at stake."

"The logic of the argument on Israel is 100 per cent right and there is clear (U.S.) double standards. But, all things considered, I think the Gulf (Arab) states will sign (the NPT)," said an Arab analyst.

The United States has been trying to persuade the GCC that it should follow Iran, Gulf-based diplomats said.

"The GCC should take the moral high ground and not hold hostage a treaty of great impact on global peace. Iran is being fairly shrewd about this (NPT issue)," one Western diplomat said, reiterating Washington's argument.

Tehran has said it will remain an NPT signatory despite the treaty's flaws because it does not wish to be in the same camp as Israel.

Gulf Arabs have expressed concern about Iran's nuclear programme, which Washington says could develop a nuclear weapon in a few years. Iran insists its nuclear programme is peaceful.

"I think GCC states look more towards Iran. By not signing, they could give Iran a pretext to do the same something they do not want," said the Arab analyst.

The military machine of Iraq, including its nuclear arm programme, has been largely dismantled in line with 1991 Gulf war ceasefire resolutions, though some Western military experts say Baghdad can revive it if U.N. monitoring of its weapons programmes are loosened.

Iraq, once the Gulf's other main power, is also an NPT signatory, but it urged fellow Arab countries last month not to sign the treaty unless Israel did.

The GCC, Egypt and Syria, in the context of their four-year-old economic and political alliance, the Damascus declaration, took a united stand earlier this month against international tolerance of Israel's refusal to sign the NPT.

LETTERS

Damaging comments

To the Editor:

I WOULD like to respond Hussam Deramieh's letter to the editor (Why people write letters, Jordan Times, Feb. 15). Since the writer took notice of two letters to the editor on two occasions, I would assume that he, like many Jordanians, reads the Times frequently.

The students of Jordanian universities could be offended, and rightly so, if we label all of them as non-readers of the Jordan Times. As for the public relations officers of our government, it would be such a pity if they do not bother to notice readers' comments in your paper. What happens when one of our "guests" sends in a comment? Does it go unnoticed?

Suggesting that we avoid talking about our problems in an English daily will not make such problems disappear, but will give the impression that we are indifferent to these problems and, for instance, think that it is okay to stare and make remarks at passers-by. Staring, incidentally, is not a secret we can keep from our guests; they experience it on a daily basis.

The writers' comments themselves are damaging to our image. He is requesting all Jordanians to refrain from writing about any negative side of our society in the Jordan Times and reserve such comments to Arabic dailies. All this in an open letter to the editor of the Jordan Times for all our "guests" to read!

Hussam J. Rihani,
Amman.

Somalia braced for new dark age

Mark Huband hears a 'moderate' say US peacekeeping 'bastards' don't have to be shot — then sees a local have to limbs cut off

A GUNMAN yelled from behind the silhouette of his raised Kalashnikov assault rifle outside the floodlit house in south Mogadishu.

"Go back, go back, go back!" he shouted, his gun trained on our car's windshield. People milled in the shadows. There were no faces, only the forms thrown out by the lights perched on a wall strung with razor wire and broken glass set in concrete.

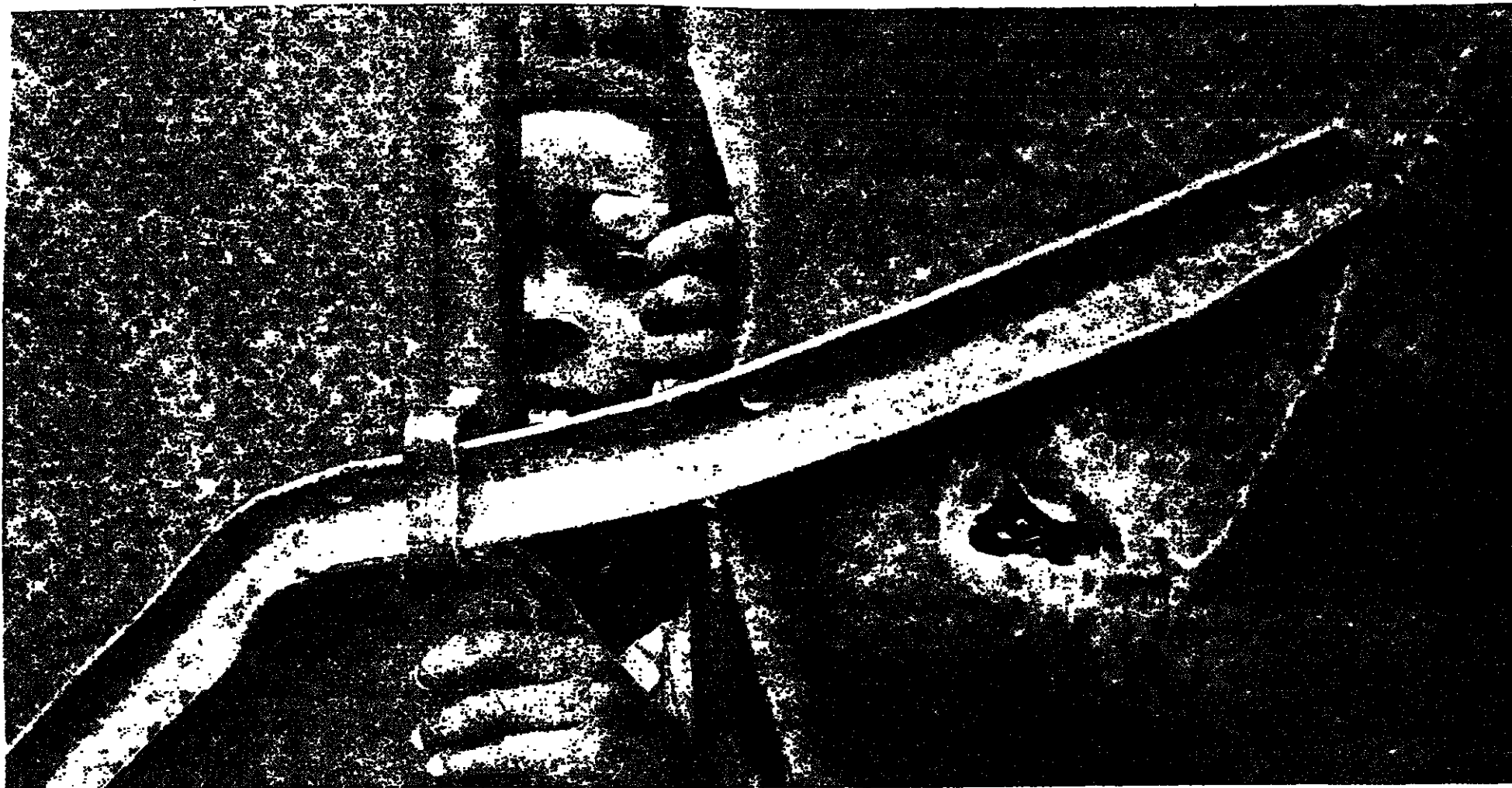
This was the headquarters of Osman Ato in Mogadishu last week. Until December Mr. Ato was the main financial backer and clan ally of faction leader General Mohammad Farah Aided. Now they are fighting each other and the tension rises every day as Somalia prepares for the United Nations' pull-out and the murderous chaos that looms in its wake.

A car escorted by a truck with a mounted machinegun broadcast Mr. Ato's message that nobody should confront the estimated 8,000 American troops due to land this month to protect the withdrawing United Nations forces. Two hours earlier, a different car had broadcast Gen. Aided's opposing message. The car was shot at and two people died. The rival messages are the outward sign of preparation for conflict which has split the Habergidir clan at a time when unity is most needed.

Gen. Aided is fighting for his political life. Mr. Ato is hoping to save his own. Gen. Aided has not been seen in public for months, while Mr. Ato is limping around Mogadishu on crutches after a landmine blew away half his foot and took a chunk out of the other.

"We had a very heated row yesterday, Mr. Ato said after a meeting with Gen. Aided. "He has to give in. He wants to be president and prime minister, but he can't be. I believe that he is walking in the middle of darkness, even among his own people and power base."

"We don't want anyone to bother the Americans, even though we have some differences and disputes with them, but that doesn't mean we have to shoot



Eye of the storm: The withdrawal of UN forces next month is clearing the way for a showdown as Somali factions take advantage of a diplomatic disaster

those (American) bastards."

Mr. Ato is planning to sue the U.S. government for the ill treatment he received in 1993 when the U.S. declared war on Gen. Aided and his followers. "But Aided has become so hard that he may find that everybody has abandoned him."

Throughout the city the newly aligned and newly split clans and sub-clans plot and counter-plot over who will be president when the U.N. leaves for good. The timetable for the departure has been kept extremely vague. While the U.N. mandate officially

ends on March 31, the Americans said on Friday that they hope to be out during the first week of the month.

All U.N. civilians are now bunkered down at Mogadishu airport, having moved from the former American embassy compound 12 days ago. The compound was looted within minutes of their departure by gunmen who had camped outside overnight before the U.N. left.

The U.N. civilians were due to leave Mogadishu by Tuesday. The American troops, their helicopters and AC-130 bombing and surveillance planes flying

overhead, arrived by over-craft on Mogadishu missions all last week.

The troops will take over the port on Feb. 27 to provide a 'united shield' as the Pakistani, Malaysian, Bangladeshi and other U.N. troops leave.

The anti-shark net, which was strung beneath the waves just off the coast to allow U.N. employees to swim in peace, has already been removed so that U.S. amphibious craft can land. Thousands of tonnes of equipment now in the port is being removed as quickly as possible, to avoid it falling into the hands of the gunmen responsible for the

biggest disaster in U.N. history.

Perhaps nothing now could reunite the Habergidir leadership except war against their common enemy — the Abgal clan of north Mogadishu. But now men such as General Mohammad Nur Galal, who is emerging as leader of Gen. Aided's fighters, are making extensive contacts with the Abgal clan and its leader, Ali Mahdi Mohammad, in a bid to avert civil war.

Gen. Galal is short, smartly dressed, with graying hair and a friendly manner, and says: "When Aided sees the Habergidir

splitting, he always creates a conflict to reunite them. In the past the Habergidir have always been willing to follow him. But there have been many casualties. Most of the Habergidir are ready to reconcile with the other clans."

After five years of civil war, Gen. Aided's men, patrolling in their gun-mounted Toyota Land Cruisers, are as beleaguered as the city of rubble, bullet-riddled villas and sand-clogged streets.

Gunmen at Gen. Aided's checkpoints take money from passing cars. In previous years they had plenty of money; now they

are raising funds. At a checkpoint on the port road a gunman trained his Kalashnikov at the head of a taxi driver, took 500 Somali shillings from him, lowered the gun and then handed the driver a receipt before waving him on.

To avoid his eclipse, Gen. Aided has secured the support of Mohammad Kanyare Afrah — who defected from Ali Mahdi last September and is now his closest military ally.

"The question is: Who will be in the top seat. Which clan and which person?" said Mr. Farah, who is now based in a few dark and sweltering rooms at a

Mogadishu hotel whose courtyard teems with his gunmen. "We are not ideologists. There's nothing for nothing. Politics isn't holy. It's interests. When we are in politics we are salesmen. We sell the politics to people. And every clan and sub-clan has the same concern."

Ali Mahdi must accept Gen. Aided as president and himself as vice-president. If he refuses, or forms his own government, then there will be fighting. "We will attack to eliminate," he said.

The U.N. Somalia having spent \$2.5b. Its mission has been a qualified success on a humanitarian front, its military mission a failure and its political aim of bringing law, order and government back to Somalia a complete disaster.

"The departure is a race against time to a certain extent. It's unprecedented for a U.N. operation to be functioning but also packing up," said George Bennett, the UNOSOM spokesman.

Private contractors working for the U.N. are feeling the brunt of the rush to leave. The U.N.'s Australian caterers, Morris Supplies, which had a \$100m contract to feed the troops and civilians, reckons the U.N. will owe it \$20m in unpaid bills by the end of the month.

The company claims it does not have the money to pay off its workers, but its Somali employees and local traders to which it owes money will not let them go.

"Before they kill us, one of us will get kidnapped. That's the way they operate. There's no way if we backed now that we would make it to the airport. We owe too much money to leave here alive, and we have told the U.N. that," said Morris's managing director, Robert McVicker, who has a private army which will guard him until the bills are paid.

Back on the streets, the militia will be extorting, threatening and killing, survive, plunging the country once more under the rule of the gun, as the world closes its eyes on what Somalia is to become.

The Observer

King guest of honour at summit

(Continued from page 1)

March 6 to 12.

In less than a fortnight two major crises in the diplomatic field deriving partly from the upcoming summit have embarrassed the Danish government.

A visit by Iranian Deputy Foreign Minister Mahmood Vaezi, who, due to the fatwa issued against British author Salman Rushdie, was denied entry to neighbouring Norway and Sweden, aroused harsh attacks in both the parliament and the majority of the press.

Many critics accused the government of neglecting insistence on human rights in order to protect the Danish export of feta cheese which

last year amounted to 28,000 tonnes to Iran.

Observers assessed that the government deemed a non-committal conduct necessary in view of its impending role as host of several other foreign government representatives from countries being accused of flagrant violations of the world charter on human rights.

Hardly had the Iranian visitor departed for Paris from Copenhagen airport before a journalist arriving from Accra at the very same airport forced the Danish government into swift action to prevent impending accusations of racism.

Neglecting a fully valid visa the passport police denied entry for the Ghanaian reporter

as he did not bring with him an invitation to visit Denmark issued by the Foreign Ministry so he could make arrangements for his coverage of the social summit.

The incident prompted both the development and the foreign ministers to publish strict instructions for the passport authorities to demonstrate considerably higher standards of conduct and flexibility. This, the ministers stressed, will be imperative when the massive influx of more than 20,000 both official and non-governmental representatives joined by an estimated 5,000 media people from all over the world head for Copenhagen in the days to come.

U.S. Secretary of State Warren Christopher said Thursday the State Department is looking into the New York Times story.

He pointed out the United States has been the leader in trying to ensure that the sanctions against Iraq are enforced. "Embargoes or sanctions are seldom perfect, and there unfortunately is almost always a certain amount of leakage," he said. "We're looking into this particular report. If accurate, we would certainly want to take steps with respect to that leakage. But the important thing overall is to understand how much pressure we have put on the Iraqis, how important those sanctions are."

He noted that the U.N. resolutions provide an opportunity for the Iraqis to sell their oil and use the proceeds for humanitarian purposes. "They've been unwilling to do that, which can only mean to us that if they sell their oil they probably want to use the funds they get for weapons purchases or some other deleterious purpose," Mr. Christopher said.

White House Press Secretary Mike McCurry confirmed the report that Iraq is selling oil in violation of United Nations sanctions, but in quantities far below those cited. "Our own experts estimate" the leakage is 80,000 to 100,000 barrels a day rather than 200,000 barrels, he said.

Meanwhile, the government is continuing with preparations for presidential elections to be held before the end of the year.

Ekeus to probe

(Continued from page 12)

of \$14 a barrel for similar Middle Eastern oil, the paper said.

"That's a big discount, which explains why many of us are willing to take risks to move that oil," an unnamed London-based trader told the Times.

The United Nations allows Iraq to export just 75,000 barrels a day to Jordan, to cover Iraqi costs for the purchase of medicine and food. The country had been exporting 2.5 million barrels a day before the Gulf war, for revenues of \$12.7 billion a year.

Using the clandestine network, Iraq is exporting about 200,000 barrels a day, the Times said.

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Opposition says Iran trains kamikaze pilots against Israel

TEL AVIV (AP) — Iran is training kamikaze pilots to attack Israel and plans to send spies masquerading as immigrants to the Jewish state, an exiled Iranian opposition figure said in an interview published Friday.

Manouchehr Ganji said he chose to talk to the Yedioth Ahronoth daily because he wanted to win support in Israel for Iranian expatriates seeking to topple Iran's Shiite Muslim fundamentalist rulers.

"I think that Israel has an interest in helping the Iranian opposition topple the government of terror," said Mr. Ganji, who lives in Paris and heads a small group called the Organisation for Human Rights and Fundamental Freedoms in Iran.

Mr. Ganji, a former Iranian education minister, said he was looking for help in building a shortwave radio station to broadcast from France to Iran.

Mr. Ganji, who claims he is number one on Iran's

wanted-dead list, quoted what he said were reliable sources in Iran who told him the government was training suicide pilots for missions to Israel. He said the pilots were trained in secret camps.

"According to the report, four pilots have completed the course and have already left Iran in order to get ready for the mission," Mr. Ganji told Yedioth Ahronoth.

Mr. Ganji also said that Iran is planning to send agents to Israel. "They will go undercover as Jewish immigrants, apparently from Syria, but this is not definite," he said.

The director general of Israel's defence ministry, David Ivri, warned in an interview Friday that Iran was buying sophisticated war planes and long-range missiles that could reach Israel. The Iranian threat is not an immediate one, but if we do not prepare ourselves now, we are liable to find ourselves without a satisfactory way to

respond in the future," Mr. Ivri told the daily Davar. Amid U.S. pressure to isolate Iran, the country's supreme leader warned Friday that the Iranian nation would not buckle, Tehran Radio reported.

"I state here in the presence of multitudes of worshippers, on behalf of every individual of the nation, that the enemies of Islam can never bring the Iranian nation to its knees," Ayatollah Ali Khamenei said in a sermon at Tehran University.

He said last week's massive turnout at a rally in Tehran to mark the 16th anniversary of Iran's Islamic revolution proved to Iran's enemies that their efforts to weaken the clerical Muslim establishment were doomed to failure.

"The Americans are plotting with every government they can to bring pressure on the Iranian nation, to force the Iranian government to surrender," he said in the sermon aired on Tehran Radio, monitored in Cyprus.

The United States, which identifies Iran as a "rogue state" for allegedly sponsoring international terrorism, has sought to persuade Tehran's trader partners to downgrade their commercial activities with the Iranians.

Washington, which alleges Iran is involved in a covert nuclear weapons programme, also has been trying to dissuade Russia from selling nuclear reactors to the Iranians. But Russia said this week it would go ahead with the sale.

Iranian officials say Washington has no evidence for its allegations against Iran, but is angered at Iranian opposition to the Arab-Israeli peace plan.

Earlier this week state-run Tehran Radio said the United States was like "a giant in the service of Zionism." Clinton administration officials are encouraged that a strenuous lobbying effort has thus far headed off approval by Japan of the \$450 million loan to Iran.

The administration has given high priority to isolating Iran but has had difficulty winning broad international support. Germany maintains close ties with Iran and a Russian agreement to provide nuclear reactors and training to Iran is a sore point in U.S. relations with Moscow.

U.S. officials have pushed hard — thus far successfully — to persuade Japan not to go ahead with the loan, which is the second instalment on a power project said to be worth \$1.5 billion. Japan says the loan request is still alive.

"The U.S. government is expressing its concerns, and we take into consideration what they say," said Hiroshi Hashimoto, an official at the Japanese embassy in Washington.

He noted that the proposed loan would not be earmarked for the Iranian government, but for the Iranian firms carrying out the project in the southern part of the country.

In response to statements by U.S. officials that Japan has deferred a decision, Mr. Hashimoto said: "There is no set period as to when we should decide."

He acknowledged there is a fundamental difference in the way Japan and the United States perceive Iran.

"We believe it is very dangerous to isolate Iran," he said.

Arafat rejects 'Jenin- first' offer

(Continued from page 1)

During the symposium, entitled "The Mediterranean After the Peace, What Future?" guests — including

former U.S. Secretary of State Henry Kissinger and other past and present government ministers from va-

rious countries — will discuss topics such as the future status of Jerusalem and economic prospects for the region.

Juppe warns Egypt in NPT row

(Continued from page 1)

programme. Mr. Mubarak has insisted that Egypt would only sign the extension of the NPT, if Israel did the same.

But Israel has refused, citing its special "security" concerns, and has never confirmed Western reports that it possesses about 200 nuclear warheads.

Mr. Musa reassured Thursday in Bonn, after talks with German Foreign Minister Klaus Kinkel, that his government could not commit itself to a prolongation of the NPT unless Israel also signed the treaty.

Israel insists it will not sign the treaty until it is satisfied that countries will not sign the treaty until it is satisfied that countries like Iran, Iraq and Libya do not pose a threat to it.

"Mr. Rabin wants by all

means to hint that Egypt is going in a direction hostile to Israel. I feel sorry for this... I wish Rabin will be more accurate rather than complicating relations between us," Mr. Mubarak said in Cairo.

"I could tell you very frankly that we would like Israel to sign the NPT because Israel is just on our borders... any leakage or anything that happens threatens the national security of this country," the president said.

"I am not speaking about the Arab World. I am speaking about Egypt. It is insecure to have all these nuclear weapons in Israel without any inspection from the international community."

Mr. Mubarak denied allegations made by Mr. Rabin to parliament that Egypt tried to influence African states, including Tanzania, Djibouti and Comoros,

not to establish ties with Israel.

The Israeli daily Haaretz reported Friday that the United States had demanded that Israel take "unilateral steps" to avoid a full-blown crisis with Egypt.

Algerian

(Continued from page 12)

The Armed Islamic Group (GIA), the most radical of the factions fighting the military-backed regime, and AIS, the armed wing of the outlawed Islamic Salvation Front (FIS), have threatened more suicide attacks. On Jan. 30, a suicide bombing in central Algiers killed 42 people and injured 286. The GIS claimed responsibility for the attack.

Meanwhile, the government is continuing with preparations for presidential elections to be held before the end of the year.

Russians, Chechens extend truce

(Continued from page 1)

by the people," he said.

Chechen cleric Muhammad Alsabekov said meanwhile Russian Prime Minister Viktor Chernomyrdin intends to order a halt in fighting in Chechnya until March 5, the end of the Holy Month of Ramadan.

The mufti said Mr. Chernomyrdin had made the undertaking in a meeting with Chechen spiritual leaders Wednesday.

Mr. Alsabekov said the Muslim clerics would also try to stop military operations on the Chechen side. The Chechen people would never "oppose the clergymen," he said, quoted by the news agency Interfax.

A Russian parliamentary

commission set up to assess the Chechen conflict has summoned senior political and military leaders for a hearing Monday.

Among those summoned by the commission are Russian Defence Minister Pavel Grachev, the architect of the intervention in Chechnya that started on Dec. 11, former Russian Deputy President Alexander Rutskoi, and former Parliamentary Speaker Ruslan Khasbulatov, a leader of Chechen opposition.

Also called to appear were Salambek Khadzhiyev, the former Soviet petrochemicals minister Moscow wants to put at the head of a new Chechen government, Nationalities Minister Sergei Shakhrai, and former Prime Minister Yegor Gaidar.

Jordan Times
Tel: 667171

Yemen grapples with inflation, budget deficit

SANAA (R) — Yemen is suffering from raging inflation and the government is resorting to printing money to fund its budget deficit, Deputy Prime Minister Abdul Wahab Ali Al-Ansi said.

"The situation has reached the stage where the state's job has become one of producing money... it has become a money producer," Mr. Ansi told a news conference Thursday.

Mr. Ansi said the start of economic reform in Yemen, one of the most impoverished Arab countries, "is to cut down the budget deficit by finding new resources for the state."

He declined to disclose the deficit. Yemen had no budget for 1993 and 1994 because of political instability which led to a two-month civil war between north and south last year. The 1995 budget had not yet been presented to parliament.

Unemployment is running at 30 per cent of the estimated workforce of four million.

This week Yemen increased prices of state-controlled food by between 21 and 196 per cent. Prices of some foods are soaring on the black market. Yemenis say locally produced vegetables, meat and eggs have risen by 60 to 100 per cent in recent weeks.

The price of imported goods has shot up as Yemen's currency continues to lose value.

An official newspaper said last Sunday that authorities had arrested wholesalers who stop prices from spiralling.

Mr. Ansi declined to disclose figures on inflation which economists and diplomats said ranges from 60 to 100 per cent.

The government has held talks with the International Monetary Fund (IMF) and the World Bank, but diplomats said it did not seem to be acting on their recommendations.

The IMF was reported to have recommended unifying the two-tier exchange rate to 50-55 riyals per dollar, replacing an official rate of 12 riyals and a central bank-sanctioned free rate of 84 riyals. The riyal trades at about 110-120 to the dollar on the illegal black market.

Mr. Ansi said reforms would require tightening expenditures, controlling revenues, allowing the private sector more freedom and tackling the problem of subsidies.

He said Yemen spends \$400 million annually to subsidize wheat and flour. Mr. Ansi said the official price of wheat and flour was about one tenth of the real value.

The state recently raised prices of these staples by 36 per cent and 25 per cent respectively but residents said there were shortages and that the black market price was 200 to 300 per cent higher.

"To start with, subsidies is a wrong policy. It encourages corruption," Mr. Ansi said.

He hinted that Yemen might increase the price of petrol and gas. The price of a small bottle of mineral water is three times that of one litre of petrol.

U.S. posts worst merchandise trade deficit

WASHINGTON (AP) — The United States posted its biggest merchandise trade deficit in history last year as a surge in imports swamped a record level of exports, the Commerce Department reported Friday.

The deficit soared by 25.4 per cent last year to \$166.29 billion, compared to a 1993 shortfall of \$132.58 billion.

President Clinton has cited big market-opening deals as one of his major achievements since taking office, but the new figures demonstrated the challenges the United States faces in the global economy.

Deficits with Japan and China both set records last

year. The Japanese imbalance climbed 11 per cent to \$65.7 billion while the trade gap with China surged at an even faster rate of 30 per cent to \$29.5 billion.

These figures count only trade in merchandise. If services are also included, the 1994 trade imbalance totals \$108.11 billion, 43 per cent higher than a \$75.73 billion goods and services deficit in 1993.

In a glimmer of hope, the deficit in merchandise and services narrowed in December to \$7.34 billion, the smallest monthly deficit in nine months.

Many economists believe U.S. trade fortunes will im-

prove this year as growing economies overseas boost U.S. exports while America's growth rate slows, thus cutting demand for foreign goods.

However, they concede that the recent economic troubles in Mexico, which is America's third largest export market, will dampen whatever improvements occur as the weaker peso makes U.S. exports more expensive in Mexico while making Mexican goods cheaper in this country.

Even before December's steep plunge in the peso, the U.S. surplus with Mexico was shrinking. For the year, the surplus totalled \$1.34 billion,

down 19 per cent from 1993 and an even steeper drop from 1992 when the United States had enjoyed a \$5.8 billion surplus with Mexico. The lower surplus in 1994 occurred even though U.S. exports to Mexico climbed by 22.3 per cent. This gain was offset by a 24 per cent rise in Mexican imports.

Opponents of the North American Free Trade Agreement, which is eliminating trade barriers among the United States, Mexico and Canada, have predicted that America's surplus with Mexico will vanish altogether this year because of the plunge in the value of the peso.

The \$166.29 billion merchandise deficit for last year surpassed the 1987 record for goods on a balance of payments basis of \$159.6 billion.

The combined deficit of \$108.11 billion in merchandise and services was the largest imbalance since a record \$114.8 billion deficit recorded in 1988.

The goods and services figure was aided by the fact that U.S. exports of services such as travel and consulting fees climbed to an all-time high of \$58.2 billion, helping to offset somewhat the merchandise deficit.

For the year, exports of merchandise climbed 10.1

per cent to an all-time high of \$502.80 billion. However, foreign imports of merchandise climbed an even faster 13.5 per cent to \$669.09 billion, also a record level.

The trade figures would have looked even worse if oil prices had not fallen in 1994. The average price per barrel was \$14.22, the lowest since 1988. Even with the price decline, America's foreign oil bill rose to \$60.54 billion, up 5.9 per cent from 1993, as the volume of shipments rose.

Imports of autos and auto parts, another big factor in America's chronic deficits, climbed 15.8 per cent to \$118.64 billion last year.

Mark allure irresistible despite headaches at home

FRANKFURT (R) — The German mark jettied higher Friday, unaffected by the threat of a massive engineering strike, as investors across the world clamoured for sanctuary from tumult elsewhere, senior currency dealers said.

"Internal German issues and interest rates are totally irrelevant at the moment. People are just getting out of everything if it's not marks and into marks," said Victor von Klemperer, the head of foreign exchange at Dresdner Bank A.G. in Frankfurt.

Some say the move has just begun, others say it's overdone. "There's no end in sight," said Michael Burkhardt, foreign exchange manager at Helaba in Frankfurt. "Dollar/mark could go to 1.46, mark/lira to 1,100 — anything's possible."

The dollar fell to a low of 1.4768 marks in Friday morn-

ing, hitting its weakest level since October 1992, and the lira was bid at a record low 1,086.75 to the mark.

If anything, immediate domestic factors — other than the prospect of higher interest rates down the road — might suggest a weaker mark short-term, the dealers said. But no one is looking at such factors.

The mark has soared some two per cent against the lira and sterling in the past six trading sessions, and has jumped some four per cent against the dollar.

It has jumped even though Germany's powerful engineering union I.G. Metall has threatened a strike before month's end to back its demands for a six per cent wage hike.

But the prospect of a widespread strike, and its potential to choke economic recovery, would likely weigh on the mark if anyone were paying attention to it, said

Reto Feller, chief spot dealer at Commerzbank.

One theory making the rounds in the market suggests the opposite — that an inflationary package would persuade the Bundesbank to push rates higher sooner rather than later.

Few here believe, however, that the union has the clout to drive through an inflationary wage deal or that employers have any reason to rush into an expensive accord. Many see a three per cent rise.

Dealers in Frankfurt largely dismissed this speculation linked to interest rates as unrealistic.

"That's silly," Mr. Feller said. The mark is up because "people still trust the mark." "Indicating that the rush to marks was simply safe-haven buying, he added: "You can see that in the stability of the Swiss franc."

The franc, another traditional harbour in times of

market stress, has been holding its own against the mark.

The market is also paying no heed to a regional election on Sunday in the German state of Hesse.

"Ninety-five per cent of traders worldwide don't know it's happening," Mr. Von Klemperer said.

The recent European foreign-exchange agonies were kicked off in Britain amid Conservative Party bickering over the future of Europe that undermined sterling. The tumult spread like wildfire to encompass the currencies of Spain, Portugal and Italy.

Some experts said the mark's gains had been overdone. The head of foreign exchange at a top German foreign exchange bank said, "It's exaggerated. There's no reason for the mark to be higher in Europe." Commerzbank's Feller agreed, saying "it's overdone at these levels."

France slams Britain over EU aid to poor

PARIS (R) — French Foreign Minister Alain Juppe attacked Britain Friday for seeking to slash its contribution to the European Union's (EU's) development fund for some of the world's poorest countries by one-third.

Mr. Juppe, president of the EU's Council of Ministers, said it was "neither politically nor morally acceptable" to offer 70 African, Caribbean and Pacific (ACP) less money in real terms over the next five years than they received in 1990-95.

Mr. Juppe played down the refusal of Germany, the biggest contributor, to increase its payments in line with inflation, saying it had moved closer to France's proposals.

Instead, he singled out Britain for lacking European

solidarity and dismissed London's contention that it wanted to give more aid bilaterally instead of through Brussels.

"It is not true to say that some countries are increasing their bilateral aid and doing less multilaterally while others are doing the opposite. There are countries which are globally increasing their development aid and countries which globally reduce it," he said.

Mr. Juppe cited figures showing Britain's total development aid had declined from 0.38 per cent of gross domestic product (GDP) 1981-83 to 0.31 per cent in 1992, while France's had increased from 0.54 to 0.63 per cent of its GDP in the same period.

South African economic outlook brightest in a decade

JOHANNESBURG (R) — South Africa's economic prospects are at their brightest, says a leading business analyst.

John Rensburg, a senior consultant at the consulting firm of Rensburg, says the country's "lower growth rate" which had long plagued its top economy is now being replaced by a "strong growth rate."

Mr. Rensburg, who is also a senior partner at the South African branch of the consulting firm, said the country's economic policy, directed at the South African government, is sound.

"The jury is still out on whether we will be able to break out of that trap on a sustainable basis," he told a news conference.

The chamber said the economy could grow 3.5 per cent this year after expanding 2.1 per cent in 1994, the second year of slow recovery from its longest recession on record.

But, with population growth running at nearly 2.5 per cent a year, much stronger sustained economic expansion was needed to improve general living standards significantly.

"If you look where we're coming from, that (growth prospect) is good. But if you look at where we're going,

it's not," chamber director general Raymond Parsons said.

Official figures show nearly half of the potential labour force is unable to find work in the formal sector of the economy. And, said Mr. Van Rensburg, it was able to absorb less than one in 10 new jobseekers, perhaps only one in 100.

The chamber's monthly business mood index showed confidence was stable in January at December's 108.2 level, but below last year's high of 111.9 in July and August. Base 100 was 1990.

It said the mood had been tempered by recognition that investor confidence required stability in the post-apartheid national unity government — which last month was rocked by a bitter row between President Nelson Mandela and Deputy President F.W. de Klerk.

And even at this stage of recovery, it faced constraints such as inflation, balance of payments strains, drought and labour disruptions.

"Growth in excess of three

per cent... can therefore not be taken for granted, and fiscal and monetary management of the economy remain important," it said.

The 1994/95 budget due to be unveiled on March 15 would be crucial in shaping the future investment climate, it said.

The chamber predicted average inflation of 10 per cent this year versus 9.3 per cent in 1994, and a widening of the current account deficit to 3.5 billion rand (\$1.0 billion) from an estimated 1.0 billion (\$286 million) last year, which showed a marked deterioration from the nearly six billion rand (\$1.7 billion) surplus in 1993.

Net capital inflows last year, following a prolonged drain prior to last April's historic all-race elections, had boosted the central bank's gross gold and foreign exchange reserves by more than 50 per cent, it noted.

However, they still covered only about two months' worth of imports, and it was important such inflows continued. This in turn deman-

ded the country projected a good image to international investors.

"In the light of the recent crisis in Mexico, international investment flows are likely to be even more discerning and risk-averse," the chamber said.

Meanwhile, a Washington-based research group said South Africa has attracted a marked increase in American business and investor interest since the dying days of apartheid and sanctions.

The Investor Responsibility Research Centre (IRRC) said a survey of 69 U.S. pension funds and other institutional investors found that more than half were already investing or planned to invest in South Africa in the next year.

Notably these relatively bullish attitudes were expressed in August or September, before South Africa had even obtained formal risk assessments from leading American credit rating agencies Moody's and Standard and Poors, and the Japanese agency Nippon.

They also preceded its inclusion in various prominent emerging market investment indices, it said in a report released in Johannesburg.

IRRC made no mention of the Mexican financial crisis which erupted in December and its potential impact on attitudes towards South Africa as investors reviewed emerging market risks and rewards.

It did say, however, that U.S. portfolio and corporate investors, while gradually showing more enthusiasm, still often had questions and concerns.

"Representatives of several U.S. institutional (portfolio) investors that are not yet investing in South Africa told IRRC that they are waiting to see how the new government's policies will work, or that they do not have enough knowledge of South African investment conditions," it said.

It said U.S. corporations were nevertheless increasing their profile in South Africa, adding that this month 183 had direct investment or em-

ployees in the country.

This was a 36 per cent jump since President Mandela called for the lifting of sanctions in September 1993, several months before last year's historic all-race elections.

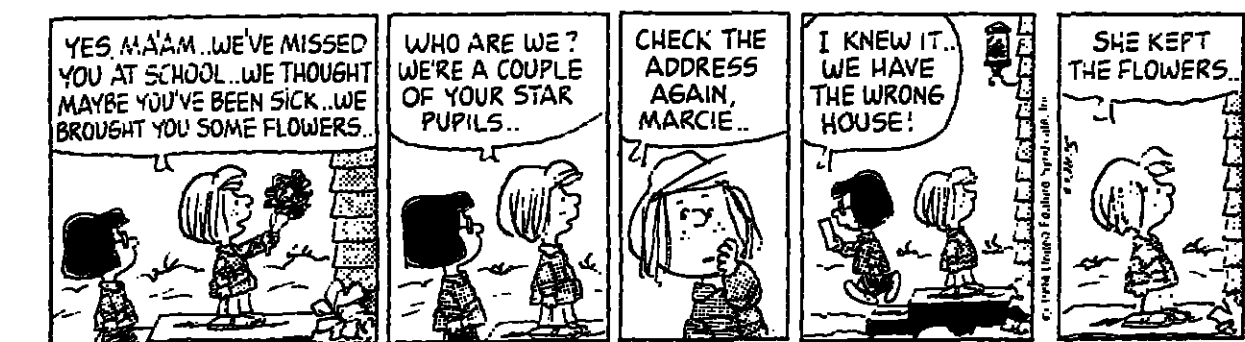
It counted 498 companies with non-equities ties, such as licensing, franchise or sales agreements, with South Africa.

This, according to figures released by it last month, compared with 598 non-American multinationals with direct investments or employees in South Africa, and 442 with sales or licensing deals.

U.S. companies which have returned after disinvesting in the 1980s include Coca Cola, CPC International, IBM, PepsiCo and Sara Lee. Ford has repurchased equity in its manufacturing operations.

U.S. companies which have entered South Africa for the first time include Apple Computer, Morgan Stanley and Hyatt International.

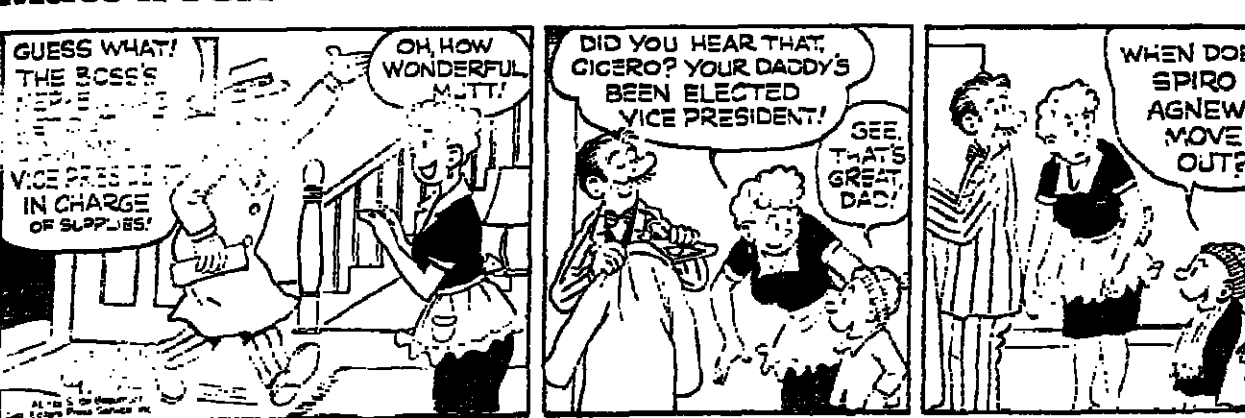
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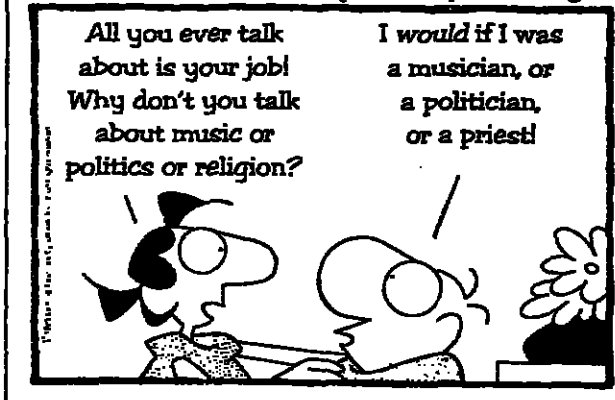
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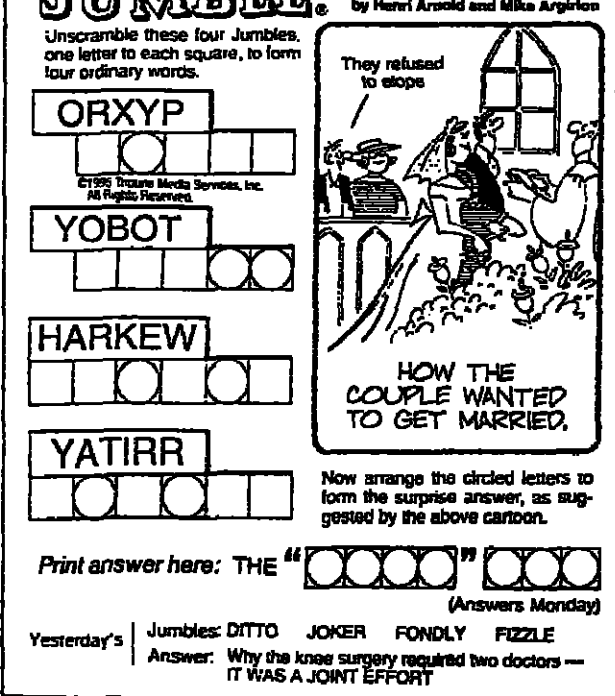
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THE Daily Crossword by Eugene Puffenberger



Ekeus to probe Iraq's biological programme data

UNITED NATIONS (Agencies) — Iraq has the capability to develop biological warfare agents within weeks although it does not appear to be actively building the weapons to deliver them, according to a U.N. official.

U.N. inspectors believe Baghdad has the expert knowledge and the equipment — chemicals and centrifuges — needed for production, Tim Trevan, a spokesman for the U.N. Special Commission on Iraq, said.

The commission is charged with the dismantling of Iraq's nuclear, chemical and biological weapons, a condition of the cease-fire that ended the 1991 Gulf war.

Commission chief Rolf Ekeus left for Baghdad Thursday on a routine trip to review the elaborate network of cameras, sensors and overflights used to detect any attempts to revive the weapons programmes.

He also plans to press Iraqi officials for information on their past biological weapons programmes.

In December, Mr. Ekeus reported to the Security Council that Iraq's account of its past biological weapons programme was "minimal."

Despite Iraq claims that its programme was "defensive," indications all point to an offensive programme, he said.

Mr. Trevan said that all the equipment and chemicals found by inspectors has legitimate purposes, such as producing medicines.

But he warned those same goods could be used to develop cholera, tuberculosis or other agents, and Iraq could do so within weeks if the inspectors left.

Several months ago, U.N. inspectors discovered several kilograms of a compound in which deadly germs could be cultivated at the Al Hakem animal feed plant, Mr. Trevan said.

U.N. inspectors destroyed the compound after Iraqi officials could not prove it had a legitimate use, he said.

U.N. inspectors monitor the Al Hakem plant and other plants that could be converted to produce biological weapons through routine visits, by cameras installed at the plants and by testing samples of chemicals and products, Mr. Trevan said.

The U.N. commission reports to the Security Council every six months on Iraq's weapons programmes. The reports have portrayed Iraqi officials as evasive and deceptive in meeting inspectors' demand for information.

Iraqi compliance with the U.N. inspectors in setting up the monitoring programme is one of the Security Council's conditions for lifting the oil and trade embargo the United Nations imposed against Iraq after its August 1990 invasion of Kuwait.

The New York Times reported Thursday Baghdad has set up an underground network to export oil and bypass the U.N. sanctions.

Quoting unnamed oil industry executives and traders, the Times said the illicit sales have generated up to \$800 million in the past year for Iraq.

Hundreds of trucks take the crude oil to Turkey or Iran across Kurdish territory in the north of Iraq. The Kurds, who fought the Iraqi army immediately after the war, do not interfere with the trucks because they are allowed to collect a tax on each one, the Times said.

Dozens of small tankers also sail from the Iraqi port of Umm Qasr, where the oil is reloaded onto other tankers bound for Mediterranean markets.

Once it is out of the country, the oil moves easily since Iraq sells it for \$8 a barrel, compared to a market price of \$15.

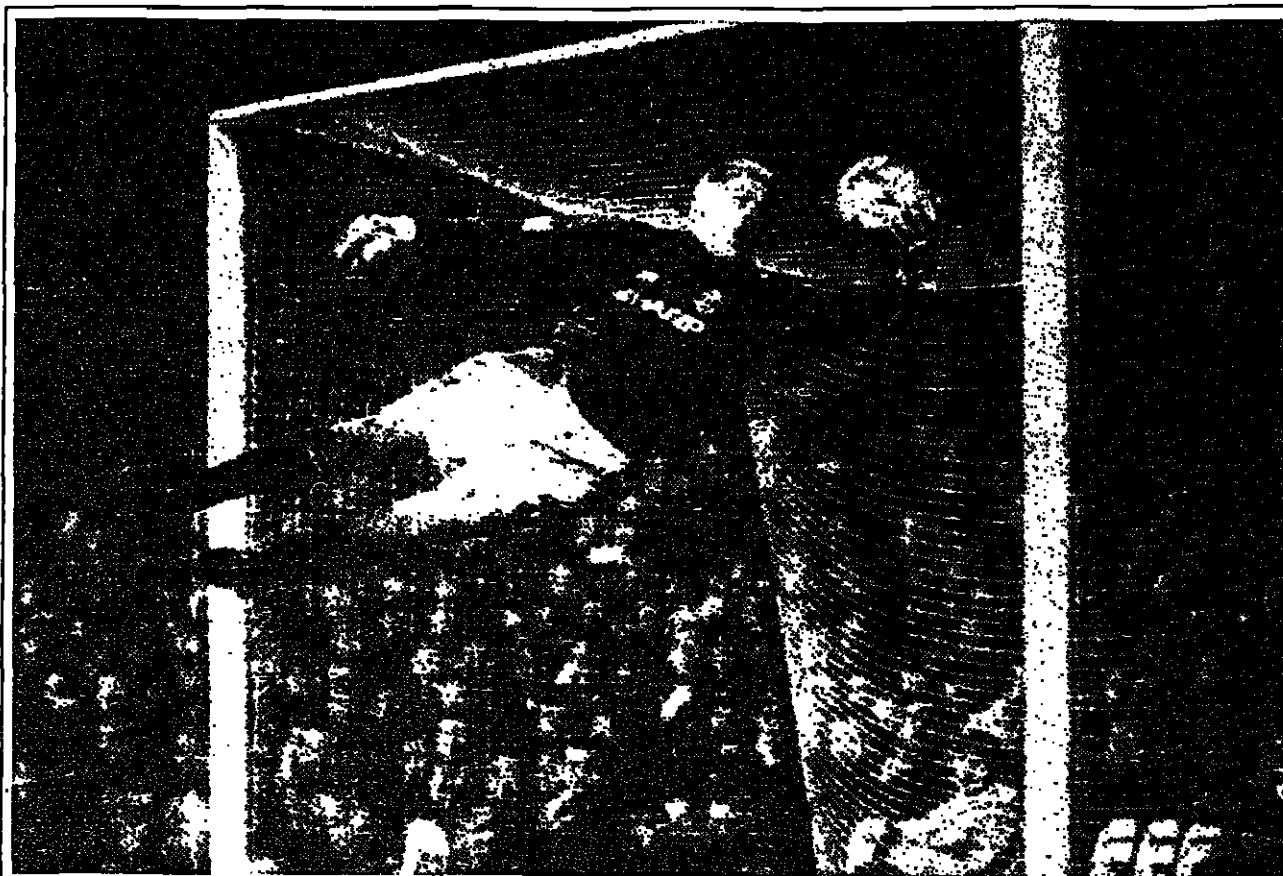
Earlier this month, two New York senators — Democrat Daniel Patrick Moynihan and Republican Alfonse D'Amato — circulated a letter calling for the U.S. embassy to be moved from Tel Aviv to Jerusalem once those talks end in 1999.

"The president has indicated a good deal of sympathy for the position taken by that letter but he has also said he thinks we should do nothing to interfere or disrupt the process by which the parties might reach their own conclusion," Mr. Christopher said.

"Until the parties have reached a decision on this subject I don't think it would be appropriate for the United States to take some action that would be precipitous and might interfere with the peace process itself," the secretary of state added.

Nevertheless, the implication of his remarks — as in an interview with Reuters last week when he said the position of Mr. Moynihan and Mr. D'Amato was "not different from ours" — was that the administration would like to move the embassy once the Israel-PLO talks conclude.

U.S. officials and independent analysts say Jerusalem is probably the most difficult of all the issues facing Israel and the Palestinians.



LENS IN ACTION: Goalkeeper Catch, first prize sports by David Spurdens, Sunday Express U.K. in the World Press Photo contest and exhibition '95 (AFP photo)

Christopher: No hasty action on Jerusalem

WASHINGTON (Agencies) — Secretary of State Warren Christopher has cautioned against "precipitous action" in moving the U.S. embassy in Israel to occupied Jerusalem but admitted President Bill Clinton was sympathetic to an eventual move.

Mr. Christopher told a House of Representatives subcommittee that Washington did not want to do anything at present that would disrupt delicate talks between Israel and the Palestinians, especially over the sensitive issue of Jerusalem.

In their 1993 peace deal, Israel and the Palestine Liberation Organisation (PLO) made Jerusalem a "final status" issue to be decided in a three-year round of talks scheduled to begin next year.

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U.S. officials and independent analysts say Jerusalem is probably the most difficult of all the issues facing Israel and the Palestinians.

During his presidential campaign, President Bill Clinton told Jewish leaders in New York in March 1992: "I believe in the principle of moving our embassy to Jerusalem, but I do not think we should do anything to interfere with the peace process."

Since Mr. Clinton took office in January 1993, U.S. officials have preferred to say as little as possible on the issue, for fear of upsetting one side or the other and torpedoing the already shaky peace process.

In his comments on Thursday, Mr. Christopher emphasised it is the U.S. position "to assist those who are taking risks for peace."

Mr. Christopher said that because the Palestinian Authority "has taken major risks" in order to carry out the declaration of principles between Israel and PLO, "it is much in our interest to continue to support economic development within Gaza and Jericho."

With the Palestinians having had difficulty containing terrorism within both areas, Mr. Christopher said he believes that during the past 10 days or two weeks PLO Chairman Yasser Arafat "has recognised that the terrorism is really aimed directly at him... because the terror is undermining his ability to govern."

He noted that Mr. Arafat has "taken stronger steps" than before, including the arrest of large numbers of members of the Islamic Jihad.

On the front lines just 15 kilometres south of Kabul, Taliban leaders said they would decide on the next move for the group.

"The only thing we want in Afghanistan is an Islamic government, with Islamic laws and an Islamic system," said Mullah Bor Jan, the commander of the Taliban's frontline troops.

The other Islamic militias say they want the same thing, but their three-year battle for power has discredited them in the eyes of many Afghans.

"There is shelling, robbing and looting, this is not an Islamic government, this is not in the Koran," said Mr. Jan, who like many of the Taliban fighters wears a black turban.

An assistant brought in a collaborator with Israel. The suspect was about to be sent to a cell when the officer's phone rang and he was ordered by a superior to release the man.

At a few minutes later, a bearded Islamic activist was brought in on charges he fired at an Israeli army patrol. The officer beat the suspect, ordered his men to send him to a cell and then shouted, as they walked away, "kill him."

Hamas and Islamic Jihad have claimed responsibility for a number of attacks since October that have killed 56 Israelis.

A pro-Arafat mosque preacher on Friday accused Syria of backing the suicide bombers in order to disrupt the Israel-PLO autonomy accord and prevent the expansion of self-rule to the West Bank. Israel has said that it would not withdraw from West Bank towns until Mr. Arafat proved he could foil suicide attacks.

"Syria used to be very concerned about getting back every inch of Palestinian territory," Sheikh Hijazi Birbari said at the Kameeb Mosque where Mr. Arafat attended noon prayers.

"Why doesn't Syria send its own suicide bombers to Israel?" asked the preacher.

According to official figures, Islamic fundamentalists last year carried out 2,725 acts of violence targeting mainly infrastructures, transport and telecommunications.

The army meanwhile continued attacks on fundamentalist strongholds in line with its strategy to "eradicate" armed militants.

An official statement said that over 13 days, 105 armed fundamentalists had been killed both in Algiers and other parts of the country. There are no figures on the number of security forces killed.

And for the first time, according to diplomatic sources in Tunis, an attack was reportedly launched in a neighbouring country when six Tunisian policemen were killed in the southern tourist region of Soudes.

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Hamas threatens to kill Musa Arafat

GAZA CITY (Agencies) — The armed wing of the Islamic Resistance Movement, Hamas, threatened Friday to kill one of Yasser Arafat's top security officials unless the arrest of its members stopped.

"The bullets of Qassam will not be forgiving," read a statement signed by Izzeddine Al Qassam, the military wing of Hamas.

"The fifth of the military intelligence, headed by Musa Arafat, have arrested many Qassam heroes and put them in jails," said the statement distributed at Friday prayers at Palestine Mosque, a Hamas stronghold in Gaza City.

The statement marked the first strong anti-Palestine Liberation Organisation (PLO) warning issued in Gaza since clashes between Palestinian police and Hamas supporters left 13 people dead on Nov. 18.

"You must know Musa Arafat, and all those behind you, that we will not remain helpless this time... we have been quiet for too long," the Qassam statement said.

The security official is no relation to Yasser Arafat, the PLO chief and head of the Palestinian self-rule authority.

"To the honourable brothers in the Palestinian Authority, we ask you and those in Fateh to stop people like that. We don't want to create strife," Qassam said.

It was the first mention of arrests among Hamas' armed wing.

Hamas said "the Jews, through their agents" in the self-rule authority sought to cause a bloodbath among Palestinians.

"We in the Izzeddine Al Qassam brigades will not stand idle this time and your struggle for a holy land will be a struggle for a holy land," the statement said.

Palestinian police have cracked down on radicals, rounding up 20 Hamas men in the last two weeks, according to Emad Faluji, a leader of the group.

But he said none of them were Hamas armed militants, and nor had police impounded weapons, which the Qassam statement claimed.

About 30 members of Islamic Jihad, a smaller group responsible for killing 21 Israelis near Tel Aviv last month, were also detained.

Like most Hamas political leaders, Mr. Faluji disassociates himself from his group's armed wing. "This is not our way of dealing with matters," he said of the threat.

At Palestine Mosque, meanwhile, Hamas supporters staged a short rally mocking Palestinian police as corrupt and siding with collaborators against those fighting the Israelis.

In one scene, a Palestinian police officer, dressed in a green beret and dark sunglasses, sat in his office with his feet propped on his desk.

An assistant brought in a collaborator with Israel. The suspect was about to be sent to a cell when the officer's phone rang and he was ordered by a superior to release the man.

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Charles blessed with gospel

LONDON (AP) — The Prince of Wales has rarely been blessed this enthusiastically. Los Angeles' Crenshaw elite high school gospel choir delivered an inspired rendition of God bless the Prince of Wales to Prince Charles at his home in London's St. James' Palace.

"It was wonderful," he said. "You must teach the Welsh how to sing it." The prince, who first met the choir during a visit to Los Angeles in November, invited them to his home when he heard they planned a European tour.

His charity, the Prince's Trust, helped organise accommodation and transport for the choir. Choir mistress Iris Stevenson brushed off royal protocol to give Prince Charles a hug as she had on their last meeting.

"The kids think of the prince as a friend," Ms. Stevenson said. "He's very kind and he's made a big impression on them. We pray for the prince in his daily duties and it comes from our hearts."

Afterwards, the choir toured the cavernous palace. "It's a gorgeous place — and big too, if I might say so," said 16-year-old soloist Leland Julian.

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Yeltsin speech attacked from all Russian sides

MOSCOW (Agencies) — President Boris Yeltsin's state of the nation speech was attacked from all sides of the political spectrum on Friday for proposing no new solutions to Russia's old problems.

Communist Party leader Gennady Zyuganov dismissed the speech, delivered on Thursday, as "useless, shameful" and devoid of any attempt at listing priorities for action.

On the other extreme in the Duma (lower house of parliament), former liberal Finance Minister Boris Fyodorov said Friday that Mr. Yeltsin had ducked the essential question: "Who